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***Use of Gender Disaggregated Data in Policy
Making Towards Poverty Reduction***

An Issue Paper

1. Introduction

The aim of this Issues Paper is to review progress so far made since the Beijing Platform for Action (BPA), 1995 in the production and use of gender-disaggregated data (GDD) to address key issues in policy making towards poverty reduction. The Paper suggests actions that African Governments need to take to accomplish the strategic objectives and related actions of BPA.

2. Key Issues in the "Use of Gender Disaggregated Data in Policy Making Towards Poverty Reduction"

The main issue in policy making in most African countries is that national statistics are gender blind in several areas. Firstly, economics generally portrays households in which women provide most of the labour as consumers and fails to recognise households as producers using their own labour and capital. Thus, official statistics provide a partial picture of the economy or society.

Secondly, with few exceptions, economics fails to discuss the allocation of time to various processes of household production where neither inputs nor outputs are remunerated. Yet, time is a very critical resource in national productivity. People can be poor not only in money but also in time. Women, especially in rural areas, are subject to heavy time burden due to their need to balance the demands of their productive, social, reproductive, and community management roles. This often results to lower productivity and increased production costs, which are manifested both in the household and market economies. Time burden considered a serious cause of poverty and vulnerability. Women's heavy workload in the household economy may hinder their opportunities to engage in market activities.

Thirdly, gender bias in macroeconomic policies that give the highest value to monetary sections of the economy dominated by men at the expense of the household economy dominated by women can partly be attributed to inadequate data and partly to entrenched inertia. Thus the inadequate use of gender-disaggregated hours of work statistics derived from time use surveys continue to distort work that is usually presented from the census of population where heads are counted according to a priority ranking that puts paid work ahead of household production and services. The invisibility of women's real contribution in African economies hinders their bargaining power to advocate for fairer share of national resources.

Fourthly, lack of GDD continues to deprive African Governments from an invaluable picture of the use of human resources in their own countries. For example, many economic policies have shifted the responsibility of service provision from the state to the household (e.g. with the privatisation of social services such as health, especially in the context of high HIV/AIDS and the need to take care of the sick and orphans). This kind of information until now goes unnoticed without applying GDD in macroeconomic frameworks such as National Satellite Accounts of Household Production (NSAHP) and National Budgets, which until now are inadequately used.

Consequently, the economic and social development discussions and policy decisions in each country are not based on reliable information.

Given these issues, since BPA, African statistical organizations have not improved base for their estimates of the Gross National Income (GNI) and the Gross National and Domestic Products (GNP and GDP). Also, governments have not officially recognized the contribution of household production and services to poverty reduction, and integrating it into national budgeting and policy-making processes. These new and more accurate figures of the complete economic system, together with household survey data, which would greatly improve modelling and forecasting of African economies, are yet to be adopted.

Thus, a pro-poor growth strategy aimed at closing gender gap in poverty reduction as a first priority, should ensure that all development stakeholders in Africa change their thinking about what constitutes “work” and what encompasses “economic activity”.

Today, the gender gap in poverty remains wide. Women in sub-Saharan Africa constitute about 70 percent of the estimated 300 million people who survive on less than \$1 per day (Commonwealth Secretariat, 2003). Gender gap in poverty reduction is understood as differences between men and women in poverty levels. Here again, GDD are yet to be developed to reflect more accurately the distinct circumstances of men and women in poverty analysis. Gender gaps have been a major issue for sociologists and economists alike.

3. What are the Solutions to the Generation and Use of Gender Disaggregated Data in Policy Making?

Prospects for effectively generating and applying GDD in poverty reduction strategies would require several interrelated steps.

- Officially recognizing the household economy as part of the total national economy to be measured and integrated into the System of National Accounts;
- Reform the national statistical system to introduce regular TUS and CHS to generate vital gender-disaggregated data;
- Develop tools and methodologies to generate and use GDD from time use surveys (TUS) and other household surveys;
- Build the capacity of national experts to master and use tools and methodologies developed;
- Based on the GDD, prepare National satellite Accounts of Household Production (NSAHP) and Gross Domestic Product (GHP);
- Foster collaboration between national machineries responsible for the production of statistics
- From the NSAHP and GHP, develop policy strategies for integrating gender perspectives and household production into national policies;
- Also from the NSAHP and GHP prepare gender-responsive government budgets;
- Simultaneously, based on the GDD from TUS and other household data, construct both gender-aware macroeconomic models of the total economy – both household and market – and for gender-aware micro-simulation models on household production.

4. A review of a Guidebook for Gender Mainstreaming in National Accounts, Budget and policies

To be able to exploit the prospects for effectively generating and applying GDD in poverty reduction strategies, as a first step, ECA developed a new Guide for Africa: *A Guidebook for Mainstreaming Gender Perspectives and Household Production in National Accounts, Budgets and Policy* (ECA 2004). The Guidebook is a compendium of new and existing good practices, with guidance on how they might best be used in an Africa-specific situation to address poverty issues that affect men and women differently.

The fundamental reason behind the production of this Guide is that conventional economics fails to account for all economic activity. Conventional economics and most economic statistics exclude the enormous volume of unpaid work and the undeniably valuable output of services by the household or “care” economy.

Household production includes:

- The unpaid reproductive or “care” work involved in childcare, care of the elderly and disabled, cooking, meals preparation, cleaning, laundry and voluntary community work; all these activities mistakenly are regarded as “non-economic” because they are not sold; while such activities safeguard the human and social capital which is an input to the market economy.
- Subsistence work, especially in agriculture, where the household produces goods primarily for its own consumption;
- Informal sector work, where household members produce for the market, but their “business” is counted as part of household activities.

Objectives of the Guidebook

The new Guide offers methodologies, materials and tools to improve the skills of statisticians, national accountants and policy analysts in the collection, analysis and use of GDD for integrating women and men’s non-market work (NMW) and household production (not currently included in national accounts) into sound policy making, implementation and evaluation to address growth and poverty reduction issues.

Specifically, the new Guide aims to show African countries how they can estimate the contribution of the household to economic production, and how to integrate this information in policy formulation using national accounts and government budgets. Just as the System of National Accounts (SNA) provides an international standard for all countries, so it is the intention of the Guidebook to provide a measurement framework for an African System of National Accounts of Household Production (1993 SNA).

The Development Process of the Guidebook

Following validation in May 2002 by an Advisory Expert Group Meeting of the Conceptual and Analytical Framework for the medium-term sub-programme (2001 – 2005) of ECA to mainstream gender in national accounts and national budget, the Commission prepared a framework of the proposed Guidebook that reflected its structure and contents. In May 2003, the Expert Group endorsed the framework that led to the development of the Guidebook, and in December 2003, the same Group reviewed and validated the draft Guidebook before editing, translating it into French and publishing it. The Advisory Expert Group, which advises ECA on this 5-year programme is made up of senior economists,

statisticians, sociologists and gender experts, who include worldwide ECA partners, as well as experts from especially, Ministries of Finance, from Africa.

Users of the Guidebook

The Guidebook would be a valuable tool for different users, and it would target both producers and users of micro- and macroeconomic statistics as follows:

- National statistical offices that collect micro- and macroeconomic statistics.
- Policy analysts who will find both the NTA and NSAHP in the Guidebook useful for the extension of the monetary accounts to cover non-market transactions for policy formulation and analysis of policy impacts on women, growth and poverty reduction.
- National accountants who prepare national accounts.
- These target groups would adapt materials from the modules for training national teams.

Why an Africa-specific Guide?

There is an urgent need to adequately address Africa's developmental challenges such as widespread poverty especially among women by collecting and analysing data on the non-market household economy to inform policy making. This New Guide is needed more in Africa than elsewhere because Africa is relatively poor in time-use and household survey data and has relatively greater need for these data to help mainstream gender in poverty reduction. The following compelling factors among others justify the need for an Africa-specific Guide:

- An inventory, which ECA conducted in 2001/2 in a number of African countries shows that national reports have marginal data analysis with gender distinction.
- Countries visited during the inventory expressed keen interest to carry out time-use surveys based on a standard guidebook for all African countries to address the region's specific concerns. They also expressed an urgent need for capacity building in time-use studies, analysis and integration of GDD in policy making.
- As African governments build frameworks in which time-use data are used for macroeconomic analysis, there is an opportunity to standardize the data for African countries and to harmonize currently different approaches and base lines. This need is particularly crucial given that regional integration efforts and emerging development policies and strategies such as the poverty reduction strategies, Millenium Development Goals (MDGs) and the New Partnership for Africa's Development (NEPAD) are shaping Africa's development path.

How is the Guidebook Organized?

The Guidebook is organized in three parts containing seven modules. Different users may wish to focus their attention on different modules.

PART I: HOUSEHOLD PRODUCTION

Module 1: Concepts of Household Production

Module 1 provides a conceptual framework on household and household economy based on the 1993 UN System of National Accounts (SNA), on which the rest of the Guidebook is based. Thus, the module describes the concepts, definitions, and accounting rules of the 1993 SNA to be systematically applied in Module 3. In addition to outlining the concepts of household production, it demonstrates the linkage between household production with gender issues.

PART II: NATIONAL STATISTICS OF WORK, PRODUCTION AND HOUSEHOLDS

In general, the present official national economic statistics of work and production exclude unpaid work in the household economy and the value of the economic output from that production. Part II therefore shows how new official statistics through time-use surveys, national accounts of household production and continuous household surveys can be produced to cover the glaring gaps in the present statistical systems of Africa.

Module 2: Time-use Surveys (TUS)

Module 2 begins by outlining justification for time use surveys (TUS) as being the most important tool for generating GDD are used to investigate how women, men and children allocate time among different tasks and the time they have for rest and leisure. And that TUS provide a valid tool for capturing previously hidden activities of household production. The module explains that statistics of time-use are measures of the use of human capital (human resources) and that work is the use of human capital to produce valuable outputs, whether these outputs are sold or not and whether the work is paid or not. Consequently economic statistics of work should cover all market and non-market work. The module specifically outlines the benefits of time use data, which ideally should be collected at 5-year intervals to help promote better understanding of the economy and society so that decision makers recognise and commit resources to household production.

The module then provides an Africa-specific guide to methodologies and approaches for collecting time-use data in independent surveys or as part of other surveys.

The module further presents how gender-disaggregated data can also be obtained through Continuous Household Surveys (CHS) in every African country and could be conducted every six months, rather than every month as they are in most developed countries, and the sample size need not be more than 5,000 households per country. As a new approach, the module explains how the data from CHS could be used to update the estimates of the nation-wide surveys in order to understand the short-term dynamics between the household economy and the market economy over the fluctuations of the business cycle. The module stresses that CHS is an essential starting point for the creation of modern, vigorous and up-to-date national statistical systems throughout Africa.

The module also outlined how CHS can be used to generate National Time Accounts (NTA), which are a set of estimates of our total income and expenditure of time, similar to the estimates of national income and expenditure, which account for our market transactions in monetary units.

Module 3: National Time Accounts (NTA) and National Satellite Accounts of Household Production (NSAHP)

This module provides methods for valuing non-market work (NMW) and estimating the contribution of NMW to GHP, and provides guidelines for preparing NTA and NSAHP. NTA and NSAHP are tools or entry points for integrating GDD generated from TUS and

CHS in policy making towards poverty reduction strategies through the national accounts, which are a set of aggregate accounts on the value and breakdown of all income and output of an economy. National accounts measure Gross National Income (GNI), Gross Domestic Product (GDP) and Gross National Product (GNP) and the contributions of different sectors. However, the 1993 System of National Accounts, which is the standard system used by almost all countries, does not include Gross Household Production (GHP), which is the total value added of household production of goods and services for own consumption (or for other households without remuneration).

Because women dominate most of GHP, which is not measured within the central SNA framework, the module presents recommendations on standards for measuring those services that would promote gender mainstreaming into national accounts and policies and would contribute to increasing the analytical value and the availability of such information for policy makers.

The module explains the starting point for the preparation of NSAHP as being the NTA, which has three purposes:

- They provide a more complete understanding of households than is available from accounts, which focus solely on the use of money.
- They provide a better understanding of the total economy, which comprises market production and non-market production.
- They give a better basis for economic and social policy decisions than incomplete measurements, which concentrate solely on paid work in the market economy and do not take into account the sexual division of work within the household.

The module also defines NSAHP as a set of accounts derived from NTA as an expanded version of the Household Sector of the 1993 SNA and that it follows the general structure of the SNA but includes other transactions that are outside the SNA but still connected with the household economic activities, which are recognized by the SNA a part of economic activity.

It outlines the aim of the NSAHP as to provide an overall picture of the productive activities undertaken by households and to give an estimate of the value of household production. And that the main purpose of the NSAHP is to obtain separate estimates of GHP, which can then be used to trace the joint evolution and interaction of the two economies – the monetary Market Economy and the non-monetary Household Economy.

Module 4: Continuous Household Surveys (CHS) in Africa

Module 4 (CHS) provides a programme of action for ECA to help establish continuous household surveys throughout all African countries and that this programme will be the essential starting point for the creation of modern, vigorous and up-to-date national statistical systems in Africa. The module proposes that in 2005 an initial set of six to ten countries would start a harmonised programme of continuous, six-monthly surveys of time use and other household data. These surveys would then provide the basis in 2006 for making the first estimates in Africa of National Satellite Accounts of Household Production (NSAHP) and GHP for these initial programme countries for the year 2005.

The NSAHP and GHP estimates would be on a comparable basis across countries. By mid 2006 the countries in the CHS programme would be able to prepare gender-responsive government budgets for 2007 based on the initial TUS, NSAHP and GHP data for 2005.

Simultaneously in 2006, the gender disaggregated time-use and household data from the initial CHS could form the basis for the construction of both gender-aware macroeconomic models of the total economy – both household and market – and for gender based micro-simulation models of household production.

The module emphasizes that the new household-survey-based modern statistical system should spread across Africa as countries re-adjust budgets to provide adequate resources to their national statistical organisations. As part of this programme the African countries should produce three new statistical systems – *an African System of National Time Accounts*, *an African System of Household Accounts* and *an African System of National Accounts*. A system of national time accounts would greatly improve gender aware modelling of our economic and social systems.

Module 5: National Policy on Household Production

Module 5 explains the important linkages in the use of GDD of household production to macroeconomic policy, and hence policy formulation. It provides insights into the ways in which a wider vision of production and work can guide policy in promoting greater gender equity. Thus the module demonstrates how household statistics in national accounts can be used to identify policy options, responses and advocacy channels to promote equal opportunities by integrating it in the development process.

The module outlines six policy strategies for integrating household production into national policy: (i) reform of national statistical system; (ii) enhancement of women's empowerment and income; (iii) enhancement of women's well-being and quality of life; (iv) labour market and employment policies; (v) reduction of gender bias in macroeconomic policies; and (vi) monitoring of impacts of policies and programmes on households. All these start from the first – the creation of modern, vigorous and up-to-date national statistical systems throughout Africa. New, improved, reliable data flowing from the modernization of Africa's statistics can then be used as a guide to policies that will enhance total work – both paid and unpaid – and total income – monetary and non-monetary.

PART III: ECONOMIC POLICY, POVERTY REDUCTION AND GOVERNMENT BUDGETS

This part explains in more detail in Module 6 the implications of macroeconomic policies on household production. The final module explains how the government budget can be used as an important tool of macroeconomic policy to enhance both women's and men's contributions to the total economic system and to poverty reduction and welfare enhancement.

Module 6: Macroeconomic tools for evaluating impacts national policies on gender perspectives and poverty reduction

Module 6 provides a guide to how extended macroeconomic frameworks using NSAHP can be used to evaluate impacts of national policies on poverty reduction and welfare. The module provided the justification for African Governments to develop and apply gender-

aware macroeconomic models. It explained that over the last thirty years developing countries, especially, in Sub-Saharan Africa faced major macroeconomic shocks associated with among others, fluctuations in the world price of raw materials and agricultural exports or economic policy reforms such as structural adjustment programmes (SAPs), fiscal austerity and the liberalization of commercial trade. These shocks have had significant repercussions on the economies of these countries in particular, in terms of poverty levels or widening gender gaps in incomes, health, education, nutrition etc.

Although these gender-related development issues have prompted serious debate, the absence of appropriate gender-aware macroeconomic analytical tools, especially in Africa, has penalized quantitative analyses. Yet there is increasing need for African governments to assess impacts of their economic policies on welfare and the macroeconomy to ensure transparency and accountability. Towards this end, ECA developed a gender-aware macroeconomic model to evaluate such impacts.

The module asserts that a gender-aware model aims to demonstrate to policy makers with numerical precision, how gender inequalities in national accounts and fiscal policy might have differentiated impacts on women and men in terms of, for example, employment, income, leisure time, health, education etc. It is also expected to generate insights into how these gender differences in economic behaviour impact on various macroeconomic outcomes (e.g. growth and poverty reduction).

Module 7: Integration of Household Production in Government Budgets

This final module presents another important tool - **Gender Responsive Budgeting (GRB)**, which ECA developed as a strategy towards poverty reduction strategies is the government budget, which enhances women's and men's contributions to the national economy, making it an important tool for understanding the social content of macroeconomic policies. Gender-responsive budgets are tools and processes designed to facilitate a gender analysis in the formulation of government budgets and the allocation of resources. Gender budgets are not separate budgets for women, or for men. The module presents the aim of GRB as to disaggregate government budget according to its impacts on women and men and to translate policy commitments made in CEDAW, in the BPA and other legal instruments into action through appropriate allocation of resources for their implementation and monitoring.

The module emphasizes that because women's contribution to the total economy is unmeasured, policy makers ignore the vital contribution to economic welfare of both women and men through household production when they elaborate government budgets. And that, incomplete and misleading economic information is likely to lead to sub-optimal policies through government budgets.

The module then presents two tools that ECA is promoting to assist African governments in preparing and analyzing gender-responsive budgeting. It justifies government budgets as being particularly important in redressing the heavy time burden on women. GRB can have a significant impact on the heavy time burden of domestic work. And that these measures include improvements in accessibility to energy and water, intermediate transport, labour-saving technologies across the full range of domestic and productive household tasks, which can promote a greater gender balance in both domestic and market work and increased labour productivity and hence reduced poverty.

5 Recommendations

The use of GDD and integrating it in pro-poor growth can be realized if the policy and institutional environment are receptive. The following recommendations are most actionable if taken up by Ministries of Finance, Planning and Economic Development due to their pivotal role in directing structural economic reforms aimed at the long-term growth of the economy. Besides, most national statistics fall under this ministry.

- Integrate measures to overcome gender-based obstacles and challenges into national growth and poverty reduction strategies by:
 - Officially recognizing the household economy as part of the total national economy to be measured and integrated into the System of National Accounts;
 - Reforming the national statistical system to introduce regular TUS and CHS to generate vital gender-disaggregated data;
 - Adopting NSAHP to provide a database for strategic planning and policy analysis to identify more equitable and sustainable development options;
 - Adapting evaluation of impacts of policies on poverty reduction and welfare;
 - Adopting GRB in country budget statements through a systematic allocation of national budgets towards women's empowerment and a review of fiscal policies from a gender perspective; and
 - Considering for example the allocation of 2 per cent of the national budget specifically to address gender-related obstacles to poverty reduction.

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