Measuring Sustainable Development Goal Indicator 5.c.1

Discussion Paper

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I. Abstract

This paper discusses the definition and measurement of Sustainable Development Goal (SDG) Indicator 5.c.1 and the related target 5.c. It sets out international commitments to the principle of adequate finance for gender equality and empowerment of women and girls. It compares Indicator 5.c.1 with other SDG fiscal indicators. It discusses the relationship of SDG Indicator 5.c.1 and Indicator 8 of the Global Partnership for Effective Development Cooperation (GPEDC) and investigates the construction of Indicator 8 and the method of collecting and reporting data. It considers interim proposals for Indicator 5.c.1 put forward by UN Women and discusses lessons from the International Monetary Fund (IMF) research project on gender budgeting and from the 2016 Organisation for Economic Co-operation and Development (OECD) survey of gender budgeting practices. It concludes with some recommendations for consideration by the Expert Group Meeting (EGM).

II. SDG Indicator 5.c.1 and SDG target 5.c

The list of SDG Indicators[1] specifies Indicator 5.c.1 as follows:

> Proportion of countries with systems to track and make public allocations for gender equality and women's empowerment

Thus, 5.c.1 is an indicator of characteristics of the fiscal system. It is not an indicator of quantity of finance being allocated for gender equality and women's empowerment. The Interagency and Expert Group on SDG Indicators (IAEG-SDGs) has identified it as a Tier III indicator requiring further methodological work to ensure consistency and standardization across countries. UN Women, in collaboration with the United Nations Development Programme (UNDP)/OECD Joint Support Team is leading the process of refining the indicator. This paper is a contribution to that process.

The indicator needs to be operationalized in ways that are conducive to the realization of the target for which it is the indicator, target 5.c:

> Adopt and strengthen sound polices and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels

This is a broad target that does not specifically mention tracking and making public allocations for gender equality and women's empowerment. However, the link between target and indicator is the international acceptance of the importance of adequate finance for the implementation of sound policies and enforceable legislation if gender equality and empowerment of women is to be achieved.

III. International commitments to the principle of adequate financing for gender equality and empowerment of women and girls

The principle of adequate financing for gender equality is rooted in the Beijing Declaration and Platform of Action (para 345 and 346) adopted in 1995. However, the Secretary General's report

[1] E/CN.3/2016/2/Rev.1, Annex IV, p. 22.

on the twenty-year review and appraisal of the Platform for Action[2] found that underinvestment in gender equality and women's empowerment has contributed to slow and uneven progress in all 12 critical areas of concern. Inadequate financing hinders the implementation of gender responsive laws and policies. Data shows that financing gaps are sometimes as high as 90% with critical shortfalls in infrastructure, productive and economic sectors.[3]

The importance of rectifying this is highlighted in the 2030 Agenda for Sustainable Development[4] in which all countries agreed (in para 20) that:

> We will work for a significant increase in investments to close the gender gap and strengthen support for institutions in relation to gender equality and the empowerment of women at the global, regional and national levels. All forms of discrimination and violence against women and girls will be eliminated, including through the engagement of men and boys. The systematic mainstreaming of a gender perspective in the implementation of the Agenda is crucial.

The importance of adequate and appropriate finance was emphasised at the Third International Conference on Financing for Development in July 2015, where member states adopted the Addis Ababa Action Agenda.[5] In para 30 they committed to promoting gender responsive budgeting and tracking and increasing transparency of budgetary allocations:

> We will strengthen national control mechanisms, such as supreme audit institutions, along with other independent oversight institutions, as appropriate. We will increase transparency and equal participation in the budgeting process, and promote gender responsive budgeting and tracking.

This is reinforced in para 53 which states:

> We urge countries to track and report resource allocations for gender equality and women's empowerment.

This was further reaffirmed in the Outcome Document of the second High-Level Meeting of the Global Partnership for Effective Development and Cooperation in Nairobi in 2016.[6] Para 16 states:

> We recognise that women's and girls' rights, gender equality and the empowerment of women and girls are both stand-alone goals and a cross-cutting issue to achieving sustainable development. We will accelerate efforts to achieve these aims by deepening multi-stakeholder partnerships and tracking resource allocations for these endeavours; strengthening capacity for gender-responsive budgeting and planning; and increasing the participation of women's organisations in partnerships for development.

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[2] E/CN.6/2015/3
[3] UN Women (2015). *Handbook on Costing Gender Equality*. Retrieved from: http://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2015/handbook%20on%20costing%20gender%20equality.pdf?vs=4135
[4] A/RES/70/1.
[5] A/RES/69/313.
[6] Global Partnership for Effective Development Co-operation (2016). *Nairobi Outcome Document*. Nairobi, Kenya. Retrieved from: http://effectivecooperation.org/wp-content/uploads/2016/12/OutcomeDocumentEnglish.pdf

The Outcome Document emphasises the importance of aligning policy and budgets, stating in para 38 that:

> We believe that country development strategies and processes, at various levels, should be developed, implemented, monitored and evaluated in a transparent and accountable manner. We note with concern, however, the slow progress made by some partners providing support with alignment to the national development strategies, planning processes and budgeting systems of countries receiving support. This includes national actions plans on gender equality and the empowerment of women.

Furthermore, in para 42d partner countries receiving support committed to:

> publish regular, timely and detailed information on national and local government budgets, budget execution reports and related audits and make these accessible to the public

Partner countries providing support committed (para 43i) to:

> support nationally-led engagement with all development partners, including civil society organisations such as those focusing on women's rights, labour organisations and marginalised communities, to engage meaningfully in planning, budgeting and monitoring development strategies and plans.

Partner countries receiving support further committed (para 76 c, d, f) to:

> increase transparency and the equal participation of all state and non-state partners in national planning and budgeting processes, including women-focused civil society organisations;
>
> continue strengthening gender-responsive planning and budgeting by improving the systematic tracking of resource allocations for gender equality and the empowerment of women and girls;
>
> accelerate and deepen efforts to collect, analyse, disseminate, harmonise and make full use of data disaggregated by demography (including sex, age and disability status) and geography to inform policy decisions and guide investments that can ensure that public expenditures are targeted appropriately, including to equally benefit both women and men and to leave no-one behind.

The Commission on the Status of Women, in its report on the sixtieth session in March 2016, also referred to the importance of financing for gender equality.[7] For instance in para 25:

> The Commission also calls upon Governments to enhance coherence and coordination of national mechanisms for promoting gender equality and the empowerment of women and girls, with relevant government agencies and other stakeholders, where appropriate, to ensure that national planning, decision-making, policy formulation and implementation, budgeting processes and institutional structures contribute to the achievement of gender equality and the empowerment of all women and girls.

The Commission does not differentiate in this call upon governments between countries receiving and providing development assistance, a recognition that there is a need for the coherence

[7] E/2016/27-E/CN.6/2016/22

and coordination called for in all countries, and that the Sustainable Development Goals are a universal framework.

It is noteworthy that the Addis Ababa and Nairobi agreements that link the achievement of gender equality and women's empowerment with adequate and appropriate financing make specific reference to gender-responsive budgeting. Gender Responsive Budgeting (GRB[8]) is an approach that calls for integrating gender into government planning and budgeting processes. GRB aims to enhance the quality and effectiveness of public finance management by introducing gender equality considerations in public spending through a variety of procedures and forms of analysis. In assessing whether a country has 'systems to track and make public allocations for gender equality and women's empowerment', evidence on the extent to which it has adopted GRB can provide important guidance.[9] The Agreed Conclusions of CSW 60called upon states to:

> Support and institutionalize a gender-responsive approach to public financial management, including gender-responsive budgeting and tracking across all sectors of public expenditure, to address gaps in resourcing for gender equality and the empowerment of women and girls, and ensure that all national and sectoral plans and policies for gender equality and the empowerment of women and girls are fully costed and adequately resourced to ensure their effective implementation (para 23 (aa), p. 10)

Gender responsive budgeting is now centre stage in a number of important international initiatives. In 2014, UN Women and the World Bank convened a Community of Practice (CoP) of Finance Ministers on Gender Equality. The first meeting brought together Finance Ministers from Jamaica, Mauritania, Morocco, Nigeria, Romania, Rwanda, Sierra Leone, and Timor-Leste to address financing for gender results. During this meeting, the CoP members agreed to convene every six months to share good practices and knowledge, promote learning and work together to develop a set of indicators to monitor progress on financing for gender equality. At the second meeting of the CoP, inputs were made by the Minsters of Finance of Bangladesh, Mauritania, Nigeria, Jamaica and Romania and the UK Department for International Development (DfID). The primary objectives of the CoP include promoting investment for gender results, making national budgets more effective in supporting women's and girl's opportunities by working through national budget processes and other finance ministry operations. The CoP aims to promote learning and cross-fertilization through the sharing of innovative approaches spearheaded by Ministries of Finance.

The Report of the Secretary General's High Level Panel on Women's Economic Empowerment has emphasised the importance of looking at budgets from a gender equality perspective and notes that:

> UN Women is supporting gender budgeting in many countries around the world. The Department for International Development (DFID) of the United Kingdom and the International Monetary Fund (IMF), two Panel members, are cooperating on research to develop budgeting approaches and metrics that focus on both the macroeconomic growth effects and the gender equality effects of fiscal decisions.[10]

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[8] Gender Responsive Budgeting is the term used in the UN system, and will be adopted in this paper. The IMF and OECD use the term 'Gender Budgeting' to mean much the same thing.

[9] For more information on GRB see http://gender-financing.unwomen.org

[10] Secretary General's High Level Panel on Women's Economic Empowerment (2016) *Leave No One Behind. A Call to Action for Gender Equality and Women's Economic Empowerment.* http://www.womenseconomicempowerment.org/assets/reports/UNWomen%20Full%20Report.pdf p. 18

At the launch of the Report in September 2016, the Managing Director of the IMF, Ms Christine Lagarde, committed the IMF to push forward work on gender budgeting, including through policy advice to member countries.

IV. Comparison of SDG Indicator 5.c.1 with other SDG fiscal indicators

Besides Indicator 5.c.1, there are eleven SDG indicators relating to public spending and two to tax revenue. In addition, there are fourteen relating to ODA. The other public spending indicators are defined in terms of proportions of total government spending allocated to particular types of programmes, or in terms of levels of finance allocated to particular types of programmes. Some of the programmes might be argued to be relevant to gender equality and women's empowerment, though one cannot assume that all the spending on such programmes benefits women and girls.

For example,

> Indicator 1.a.1 Proportion of resources allocated by government directly to poverty reduction programmes.
>
> Indicator 1.a.2 Proportion of total government spending on essential services (education, health and social protection)
>
> Indicator 1.b.1 Proportion of government revenue and capital spending to sectors that disproportionately benefit women, poor and vulnerable groups
>
> Indicator 8.b.1 Total government spending in social protection and employment programmes as a proportion of the national budget and GDP

The total expenditure concepts vary somewhat as between the indicators and in addition, there is some overlap between the specific indicators to be measured. There are challenges in constructing all of these indicators, but it is not the task of this paper to suggest solutions.

Indicator 1.b.1 explicitly mentions women but it is important to bear in mind the difference between this indicator, which is an indicator of fiscal quantity, and indicator 5.c.1, which is an indicator of fiscal process. Constructing indicator 1.b.1 is likely to prove particularly challenging but to construct indicator 5.c.1, it is not necessary to take on all those challenges.

Whereas it may be possible to construct some of the other SDG fiscal indicators from quantitative data that governments already collect (for example indicator 1.a.2), to construct indicator 5.c.1 it will be necessary to administer a specifically tailored survey to governments.

V. Comparison of SDG Indicator 5.c.1 and Indicator 8 of the Global Partnership for Effective Development Cooperation (GPEDC)

The Global Partnership for Effective Development Cooperation (GPEDC) was established at the Fourth High Level Forum on Aid Effectiveness in Busan, in 2011. According to the GPEDC Monitoring Guide issued in October 2015, 'it is an inclusive political forum bringing together governments, bilateral and multilateral organisations, civil society and representatives from parliaments, local governments, foundations and the private sector from around the world that are committed to strengthening the effectiveness of development co-operation to produce maximum impact for development. It fosters engagement and knowledge exchange in the implementation of agreements on the principles of effective development co-operation (EDC): ownership by developing countries, focus on results, partnerships for inclusive development and transparency and accountability.'[11]

There are ten GPEDC indicators that have been agreed to monitor progress, opportunities and obstacles in the implementation of EDC commitments, in order to support mutual accountability and stimulate and inform multi-stakeholder dialogue at country, regional and global levels on how to make development co-operation more effective.

SDG Indicator 5.c.1 is defined in almost identical terms as GPEDC Indicator 8, which is defined as:

> % of countries with systems that track and make public allocations for gender equality and women's empowerment

The target is that 100% of developing countries should have such a system.

Indicator 8 is related to the Busan commitment to 'accelerate and deepen efforts to collect, disseminate, harmonise and make full use of data disaggregated by sex to inform policy decisions and guide investments, ensuring in turn that public expenditures are targeted appropriately to benefit both women and men.' (Busan §20a)

However, GDPEC Indicator 8 refers only to developing countries, whereas SDG Indicator 5.c.1 refers to all countries, as the SDG framework is a universal framework.

An obvious question arises: Why not use the methods developed for GPEDC Indicator 8 to produce SDG Indicator 5.c.1, simply extending it to all countries?

It is clearly relevant to consider experience with GPEDC Indicator 8 in some detail. Here documentary evidence is reviewed and in the Expert Group Meeting there will be reports on experiences of particular countries, and reflections from staff of UN Women, OECD and UNDP, who have been involved in developing Indicator 8 and collecting and processing the data needed to construct this indicator.

VI. Construction of GPEDC Indicator 8

This indicator focuses on governments' *efforts* to establish and implement systems that effectively track and make public allocations for gender equality to inform policy decisions and investments. It is underpinned by the theory of change set out in Figure 1.[12]

Figure 1. Why systems, data and transparency matter: a basic theory of change

[11] Retrieved at: http://effectivecooperation.org/wp-content/uploads/2016/08/2015-2016-GPEDC-Monitoring-Guide.pdf
[12] Global Monitoring of Busan Partnership Commitments: Developing an Indicator on Gender Equality and Women's Empowerment. Consultation Paper, p. 3

The rationale for an indicator focusing on effort – i.e. the presence of certain processes and tools at the country level – is that these are more clearly attributable to a given actor (e.g. a government) than outcomes. In other words, the existence, quality and transparency of systems is within the direct control of governments, whereas the efforts of government are only one of many factors influencing development outcomes.

As noted in the GPEDC Monitoring Guide (p. 70):

> This indicator seeks to measure government efforts to track and make public resource allocations for gender equality. It does so by encouraging national governments to develop appropriate budget tracking and monitoring systems and commit to making information about allocations for gender equality readily accessible to the public. UN Women in collaboration with the OECD-DAC Network on Gender Equality (GENDERNET) has developed a methodology and set of criteria to roll out this global indicator at country level and to monitor performance against this indicator over time.

The *Fact Sheet on GPEDC Indicator 8* (see GPEDC Monitoring Guide, Annex II, p. 34) specifies that

> A system will be considered to be in place in the country if at least 1 out of these 3 criteria are met:
>
> 1. There is an official government statement on a system for tracking allocations for gender equality and women's empowerment at national or sector level. This can for example be a framework or legislation on gender responsive budgeting.
>
> 2. Allocations for gender equality and women's empowerment are systematically tracked over time.
>
> 3. There is leadership and oversight of the tracking system by the central government unit in charge of public expenditures (for example the Finance Ministry or a sector ministry).
>
> Allocations for gender equality will be considered to be made public if criterion 4 is met:
>
> 4. Gender equality focused budget information is publicly available. This could be through Parliamentary oversight and civil society scrutiny, publications, websites or other means.
>
> Countries may indicate if they a) use gender-specific indicators and data disaggregated by sex to inform budget allocation decisions at sectoral level and/or at local level and b) if they conduct regular impact assessments of budgets and expenditures which address how women and men benefit respectively from government expenditures.

The fact sheet does not attempt to define 'allocations for gender equality and women's empowerment', but as noted above it does make reference to gender responsive budgeting as an example of a system to track allocations or gender equality and women's empowerment.

GPEDC Monitoring Guide Annex III Questions and Definitions to Guide Data Collection at Country Level, Indicator 8, sets out four questions that governments are asked to answer to provide data for the construction of Indicator 8:

> Qg14. Is there an official government statement on a system for tracking allocations for gender equality and women's empowerment? (Yes/No)
>
> Qg15. Are allocations for gender equality and women's empowerment systematically tracked? (Yes/No)
>
> Qg16. Is there leadership and oversight of the tracking system by the central government unit in charge of public expenditures? (Yes/No)
>
> Qg17. Is gender equality focussed budget information publicly available (e.g. through Parliamentary oversight and civil society scrutiny, publications, websites or other means)? (Yes/No)

Additionally, countries may indicate if they:

a) use gender-specific indicators and data disaggregated by sex to inform budget allocation decisions at sectoral and/or local/district level;

b) if they conduct regular impact assessments of budgets and expenditures which address how women and men benefit respectively from government expenditures

The four questions do not ask about whether specific GRB techniques are used but continue to refer broadly to a system for tracking and making public allocations for gender equality and women's empowerment.

In a laudable attempt to provide more specificity, further guidance is provided in *GPEDC Monitoring Guide Annex III Questions and Definitions to Guide Data Collection at Country Level*, Indicator 8, p. 71, where the following explanation is provided:

> *Systems to track allocations for gender equality and women's empowerment*
>
> These are the processes and procedures in place to plan, approve, allocate and monitor public expenditures at the national and sectoral level in a way that ensures that expenditures are targeted appropriately to benefit both women and men. Such systems can include gender budget statements, classifiers, gender markers, and even preliminary guidelines as outlined in call circulars. The system in place is overseen by a governmental body, in most cases the Ministry of Finance that considers gender impact in budget decisions and incorporates measures to mitigate any adverse impact on gender equality and women's empowerment.

The explanation in Annex III thus has more extensive reference to techniques of gender responsive budgeting employed by some governments than set out in the Indicator Fact Sheet.

Annex III also attempts to steer countries away from too narrow an understanding of relevant allocations as only those that that are specifically targeted to women. It states that:

Allocations for gender equality and women's empowerment

Allocations for gender equality and women's empowerment can be defined as:

•Resources allocated at sector and local level for programmes that specifically target only women or girls (direct allocation).

•Resources allocated at sector and local level to actions that target both women and men equally but gender equality is a specific objective. For example, an action that promotes employment of women and men, equal representation within management posts, and equal pay (direct allocation).

•Resources allocated at sector and local level to actions where gender is mainstreamed. For example, an infrastructure project that doesn't include gender equality as an explicit objective but includes women as beneficiaries (indirect allocations).

However, this definition is open to question on a number of counts.[13] For instance, resources targeted to women do not necessarily empower them, nor promote gender equality. In some cases, they may reinforce unequal gender stereotypes[14] and forms of segregation. In addition, programmes that seek to promote gender equality and include both women and men do not necessarily target them equally. For instance, a programme of equal opportunities training in the public sector might legitimately target men more than women, because there are more men than women in higher level managerial positions whose decision determine whether or not there are equal opportunities. So more men are in need of training on how to make sure their decisions support equal opportunities rather than contravene them. Moreover, simply because some of the beneficiaries of a programme include women as well as men does not mean that gender equality is mainstreamed in the programme. Most programmes providing public services, social protection and infrastructure have women among the beneficiaries- but they may be underrepresented or the programme may not be well designed to meet their needs or to treat them as equals to men.

It is difficult to establish what is an allocation that actually supports gender equality and women's empowerment without doing gender impact assessments (considering impact (expected and if possible actual)) of the budget on variables such as women's access to services, social protection, and infrastructure[15], as compared to men. Although gender impact assessment is not specifically

[13] I raised similar questions in my report for UNIFEM on how to evaluate budgets for compliance with CEDAW. D. Elson (2006*) Budgeting for Women's Rights: Monitoring Government Budgets for Compliance with CEDAW*, (New York: UNIFEM).

[14] For instance, spending on programmes such as beauty contests and courses for girls in makeup, skin care an etiquette has been identified as a problem in South Korea. See R. Ichii and R. Sharp (2013) Government budgets and the promotion of gender equality in Japan and South Korea, paper presented at Conference of Society of Heterodox Economists, University of New South Wales, Sydney.

[15] These impacts depend on the outputs produced by public expenditure and are thus under the control of governments.

mentioned in guidance for Indicator 8, other techniques such as gender budget statements[16], gender markers[17], and preliminary guidelines as outlined in call circulars[18] are mentioned.

Indicator 8 does prompt countries to investigate whether and where allocations to advance gender equality and empowerment of women and girls are being made. For instance, it can encourage governments to investigate whether the Ministry of Education is making allocations to programmes that aim at raising school enrolment of adolescent girls and retaining them in school to completion.

VII. Collecting and Reporting Data for GDPEC Indicator 8

The four questions listed above are part of a longer questionnaire covering all the GPEDC indicators which is administered through the UN Resident Coordinator, to the Ministry of Foreign Affairs. Data is collected and validated by the UN system.

In the first round of monitoring, 35 countries reported on the indicator, 12 had systems in place to track and make public allocations for gender equality, while 5 had systems for tracking allocations but did not make the information public (GPEDC Monitoring Guide, p. 34). The 2014 Monitoring Report noted that:

> While the initial intention was to pilot the indicator in 20 UN Women programme countries in 2013, the methodology was made available for all interested countries. It is encouraging that the majority of countries that submitted data to the Global Partnership monitoring voluntarily reported on this indicator. This shows that countries are committed to gender equality and are making serious efforts to track allocations in support of gender equality. (Monitoring Report 2014, p. 67)

By 2016, the number of countries reporting on indicator 8 more than doubled, to 81. Of these, 58 reported having a tracking system in place, and about half of these 58 countries met all three criteria for having a tracking system in place. However, only 38 of the 58 countries reported having a tracking system *and* making the information public.[19]

Moreover, 35% of countries with an official government statement on tracking gender equality allocations reported a lack of systematic tracking in practice. Thirty-three reporting countries, or 42%, indicated use of sex-disaggregated data and indicators to support budgetary allocations. However, many of these same countries provided additional information that data is not

[16] Gender budget statements may be internal government documents used to inform budget prioritisation, which may or may not be made public; or they may be public documents prepared after the budget has been drawn up which show what the budget is doing in relation to gender issues. D. Budlender (2015) *Budget Call Circulars and Gender Budget Statements in Asia Pacific,* (New York: UN Women). p.5

[17] Since 1991, the OECD-DAC has been tracking member countries' commitments to gender equality/female empowerment using a policy marker that screens commitments according to whether their principal objective is to promote gender equality/women's empowerment or whether the promotion of these objective figures as a significant component within a larger programme. For further discussion of this system, see UNU-WIDER (2014) *Position Paper –Aid and Gender Equality,* (Helsinki: UNU Wider Institute for Development Economics Research).

[18] Budget call circulars are official notices issued by the Ministry of Finance (or equivalent agency) towards the beginning of each budget cycle. It instructs government agencies how they must submit their bids or demands for budget allocations for the coming year. (The notice in some countries may have another name, such as budget guidelines). Budlender (2015) p.4 Available online: http://www2.unwomen.org/-/media/field%20office%20eseasia/docs/publications/2016/05/un-women-ccbgs.pdf?vs=5635

[19] OECD/UNDP (2016), *Making Development Co-operation More Effective: 2016 Progress Report*, OECD Publishing, Paris.

comprehensively disaggregated across all sectors, hindering systematic tracking.[20] Concerns have been expressed that Indicator 8 is too open to different interpretations by different governments and can measure different things in different countries. Also, a positive answer to the questions does not indicate whether the tracking system is high quality and leads to improvements in policies and outputs.

The GPEDC Monitoring Advisory Group (MAG) assessed the continued relevance and usefulness of the 10-indicator GPEDC monitoring framework, following two rounds of country-level monitoring.[21]

The MAG reaffirmed that Indicator 8 is highly relevant and recommended that the rigour of the methodology be boosted by increasing the number of criteria that need to be met to confirm that a country system for tracking gender allocation is in place:

> An easy step would be to increase the number of criteria that have to be 'ticked' in relation to a system for gender responsive budgeting. At the moment, a country is considered to have met the indicator if it reaches one of 3 criteria, with a fourth criteria (transparency) mandatory. Requiring at least 2 criteria to be met would be an easy way to improve the focus for this indicator. Alternatively, requiring a system to be in place for gender responsive budgeting, with flexibility as to the nature of this system, would be another approach. (p. 45)

VIII. Interim Proposals for SDG Indicator 5.c.1

A useful interim clarification of SDG Indicator 5.c.1 has been developed by UN Women as a contribution to the Metadata Compilation for SDG5 (version submitted and received by the IAEG-SDG as of 31 March 2016).[22] This states that the indicator 'seeks to measure government efforts to track budget allocations and actual expenditures for gender equality…'. The focus not only on allocations but also on actual expenditures reflects the experience gained from constructing GPEDC Indicator 8 that in some countries not all allocations are actually spent. However, even if all the allocations are spent that does not guarantee a positive outcome for gender equality and women's empowerment- that depends on how the money is spent- the outputs produced and how far they help to reduce gender gaps.

The interim proposal suggests tighter criteria for determining that a system is in place to track and make public allocations for gender equality and women's empowerment:

> A system will be considered to be in place if the country meets the following criteria:
>
> 1. Public Finance Management systems incorporate gender equality:
>   i. Whether or not there are guidelines such as call circulars or directives that provide guidance on gender responsive budget allocations?
>
>   ii. Whether or not the sectoral budgets allocate resources to programmes to

[20] Ibid.
[21] Monitoring Advisory Group (2016) *A GPECD Monitoring Framework Fit for Purpose. Delivering effective development cooperation in support of Agenda 2030*
[22] Retrieved at: https://unstats.un.org/sdgs/files/metadata-compilation/Metadata-Goal-5.pdf

promote gender equality and women's empowerment?

iii. Whether or not there is a gender budget statement?

iv. Whether or not an ex ante gender impact assessment of the budget allocation is conducted?

v. Whether or not an assessment is conducted of how the budget allocations were spent?

* for each of the 5 criteria above the reference period is the current fiscal year.

2. Allocations and expenditures for gender equality will be considered public when they are available in a timely and accessible manner through official government publications and channels including ministry websites, official bulletins and public notices

It is certainly a good idea to develop more specific criteria than are used for GDPEC Indicator 8, to try to secure more consistency in what Indicator 5.c.1. measures. 1i, 1iii, 1iv and 1v all refer to specific procedures. 1ii asks a broader question, and it is likely that very few governments would answer no, as there is generally at least one sectoral budget that would make allocations with the intention of promoting gender equality and women's empowerment.

However, if a country is to be required to answer yes to *all* the 5 questions on incorporating gender equality into the public finance management system, then this may make it hard to qualify. Thus, it is relevant to consider additional evidence on how countries are incorporating gender equality in their public finance management systems before making a final decision, such as that from the IMF research project on gender budgeting [23] and the OECD survey of gender budgeting practices.[24]

The criterion that information should be made available in ways that are 'timely' and 'accessible' is very important, as it is compliance with this criterion that is likely to be critical in linking Indicator 5.c.1 with target 5c which requires action on policies and enforceable legislation. To be 'timely', information needs to be available alongside the budget; and to be 'accessible', it needs to be posted on the government website in a way that is clearly signalled and/or made available in hard copies that are distributed to parliamentarians and NGOs. The experience of NGOs and parliamentarians suggests that timely and accessible information is often a key factor in holding governments to account and pressing for improvements in policy and legislation. But information may only be available with a lag, or in ways that are not accessible, either in terms of ease in acquiring documents, or in terms of ease in making sense of documents once obtained. Government Spending Watch[25] reports that budget transparency varies considerably by country, with 20% of 124 countries examined performing very well, 23% well, 25% moderately and 32% relatively badly.[26] In some countries there are lags of 2–3 years in reporting actual expenditure because final actual data

[23] See J. Stotsky (2016) *Gender Budgeting: Fiscal Context and Current Outcomes*, IMF Working Paper WP/16/149
[24] OECD (2016) Survey of Gender Budgeting
[25] Government Spending Watch reports are produced by collaboration between Development Finance International and Oxfam
[26] M. Martin and J. Walker (2015) Financing the Sustainable Development Goals: Lessons from Government Spending on the MDGS p.6 http://www.governmentspendingwatch.org/images/pdfs/GSW_2015_Report/Financing-Sustainable-Development-Goals-Report-2015.pdf

have to be approved by national audit courts before they can be published. Very few countries identify who they are targeting with spending – sectorally, spatially or by beneficiary.

Some of these problems can be resolved by 'programme budgets'[27], which match spending plans to specific programme objectives, beneficiaries and outcomes. This would help to organise plans, budgets, budget implementation reports and actual spending data, audits and impact reports around reporting systems on intended (and actual) beneficiaries by age, gender, income, region and other classifications designed to ensure equity. Only around 25 developing countries publish such budgets – with varying degrees of focus on beneficiaries and outcomes.[28]

Gender Budget Statements can be the vehicle for making the allocations and expenditure for gender equality and women's empowerment public, and facilitate oversight by the women's machinery, and accountability of the government to parliament, women's organizations, and citizens. In the case of India, a Gender Budget Statement is published as part of the annual budget papers and is referred to by the Minister of Finance in the speech presenting the budget to Parliament. It is available to MPs, journalists, academics and women's organizations and has provoked some lively debate about how far the budget is supporting gender equality and women's empowerment.[29] The publication of Gender Budget Statements is potentially the way in which tracking allocations can lead to adoption and strengthening of sound polices and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels, as required by target 5.c. Of course, this is more likely to be the case if the information in Gender Budget Statements is presented in ways that are accessible to actors outside the fiscal process, both in terms of the type of information they contain and in terms of media through which they are made available. The requirement for public information is critical for opening up opportunities for civil society engagement with governments and international organizations on the issue of finance for development, and of strengthening the link between indicator 5.1c and target 5c.

The interim proposals also suggest a modified definition of 'allocations for gender equality and women's empowerment':

- Resources allocated for programmes that specifically target only women or girls.
- Resources allocated to programmes that target both women and men but where gender equality is a primary objective. For example, an action that promotes employment of women and men, equal representation within management posts, and equal pay.
- Resources allocated to programmes where gender equality is not a primary objective but where action is being taken to close gender gaps. For example, an infrastructure project that does not include gender equality as the primary objective but has specific measures to ensure that women and girls benefit equally with men and boys.

This modification addresses some of the objections raised about the definition used for GDPEC Indicator 8. However, there are still many questions about how far it is possible to operationalize these definitions on a consistent basis. The multi-dimensionality and cross cutting character of gender equality and women's empowerment makes it difficult to quantify finance for this

[27] Also, called 'results oriented budgeting' or 'performance budgeting'

[28] M. Martin and J. Walker (2015) Financing the Sustainable Development Goals: Lessons from Government Spending on the MDGS p.57
http://www.governmentspendingwatch.org/images/pdfs/GSW_2015_Report/Financing-Sustainable-Development-Goals-Report-2015.pdf

[29] . See for instance Y. Mishra and N. Sinha (2012) 'Gender Responsive Budgeting in India: What Has Gone Wrong?' *Economic and Political Weekly*, 47(50): 50-57

systematically in the routines of resource allocation. The OECD-DAC gender marker system has attempted to track how much aid is allocated to gender equality and women's empowerment, but there are differences in how donors collect and report on this.[30] Government Spending Watch has tracked spending in relation to the MDGs, but notes that its database, which covers 68 low and middle income countries can track only programmes executed specifically for women by gender agencies/ministries.[31] A GSW report on financing the sustainable development goals notes that:

> GSW (and other expert bodies such as UN Women) have struggled to obtain meaningful and robust data in a way which allows tracking of spending oriented to women, as a historically disadvantaged group, or even in terms of addressing the MDG commitments. Evidence of the gender equity of spending within different sectors and areas of budget allocation (i.e. education or health) is woefully lacking. Where data is available, it is largely only identifiable by specific ministries or lines for gender agencies (which represents only a small proportion of government spending).[32]

Efforts to assess operationalization of the UN commitment to address gender needs and gender equality in post conflict countries (as specified in resolution 1325, which calls for 15% of the Multi Partner Trust Fund to be allocated for this purpose) have run up against similar problems.[33]

A few countries are trying to track spending aimed at gender equality targets across a wide range of ministries. An example is Albania where ten ministries have identified allocations for achieving gender equality targets and shown them as a percentage of their budget, as follows:

Ministry of Urban Development 0.1%

Ministry of Health 8.1%

Ministry of Justice 36.1% (mainly in the prison system)

Ministry of Social Welfare and Youth 9.4%

Ministry of Education and Sport 13.3%

Ministry of Interior Affairs and State Police 3.9%

Ministry of Agriculture, Rural Development and Water Administration 1.4%

Ministry of European Integration 8.4%

Ministry of Culture 4.1%

Ministry of Economic Development, Tourism, Trade and Entrepreneurship 2.8%

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30 UNU-WIDER (2014) p. 14

31 http://www.governmentspendingwatch.org/research-analysis/gender

32 M. Martin and J. Walker (2015) *Financing the Sustainable Development Goals: Lessons from Government Spending on the MDGS* p.49 *http://www.governmentspendingwatch.org/images/pdfs/GSW_2015_Report/Financing-Sustainable-Development-Goals-Report-2015.pdf*

33 K. Finnoff and D. Salas (2012) *Financing for Gender Equality. Review of UN Modalities for Post Conflict Financing in 2011.* Report to UN Women.

It is not clear why the Ministry of Justice is allocating a much bigger proportion of its budget to gender equality objectives than the other Ministries, as the method for arriving at these figures was not specified.

It should be noted it is not necessary to produce a consistent quantitative measure of how much finance is allocated for gender equality and women's empowerment in order to answer the 5 questions set out in the interim proposal on how the public finance management systems incorporate gender equality. That is a wise approach, which I strongly endorse, as it is likely to be premature, given the very different budgeting systems used by governments and the very different types of information that they use, to aim at producing a consistent quantitative measure at this stage. Moreover, a quantitative assessment of budget shares, by itself, does not tell us how adequate the finance is compared to needs, and whether it is set to rise or fall in real terms.

The improvement and consistent operation of Public Finance Management systems is best approached through on-going interactive dialogues, such as those employed in the Public Expenditure and Financial Accountability Framework (PEFA), which was initiated in 2001 as a framework for measuring the extent to which PFM systems contribute to the achievement of desirable budget outcomes.[34] The PEFA Framework has now developed into a common public good, which has now been used for over 250 PEFA assessments worldwide. By 2011, 95 per cent of low income, 80 per cent of middle income and 8 per cent of high income countries had undertaken, were in the process or were going to commence PEFA assessments. Until 2016 there was no reference to gender, but a first step was taken in the 2016 PEFA framework which specified that in measuring effectiveness of service delivery: "More advanced performance measurement systems may also seek to assess the gender responsiveness of budget resources through collecting and analysing gender disaggregated data on outputs and outcomes".[35] It is noteworthy that the focus is not on measuring finance allocated to gender equality and women's empowerment, but on deployment of gender disaggregated data on the outputs that finance produces and the outcomes that result from those outputs.

Constructing Indicator 5.c.1 requires a new survey to be sent to governments. UN Women, UNDP and OECD are to develop an appropriate survey instrument to collect data. Before considering the design and administration of the survey, it is worth considering what lessons may be learnt from the IMF gender budgeting research project and the OECD gender budgeting survey, both of which involved sending a questionnaire to governments.

IX. Lessons for Indicator 5.c.1 from the IMF research project on gender budgeting

An IMF research project, led by Janet Stotsky, examined how gender budgeting is being used in countries in all regions, producing an overview paper and six regional surveys, published in 2016.[36] The project found that more than 80 countries (across all regions) have tried some variant of gender budgeting, but efforts have taken many different forms, with some countries focussing on efforts to change fiscal policy to try to close gender gaps, while some focus on efforts to build sex-disaggregated information into budget classification systems that seek to ensure that money is spent in accordance with approved budgets. The most successful efforts employed both of these approaches i.e. they linked budget classification systems and policy focus. (This is consistent with the SDG framework that links Indicator 5.c.1 and target 5.c.). However, simply introducing gender into the

[34] https://pefa.org/
[35] Retrieved from: https://pefa.org/sites/default/files/PEFA%20Framework_English.pdf See p. 30
[36] For more information see http://www.imf.org/external/np/res/dfidimf/topic7.htm

budget classification system did not automatically improve the link between resource allocation decisions and gender equality.

A few countries issue statements indicating how much they have spent in support of gender equality as a proportion of total spending, but they use different methods and produce very different estimates. For instance, the government of India issues a Gender Budget Statement (in Volume 1 of the Union Budget documents) which reports on the share of the total expenditure allocated for the 'gender budget'. These allocations were reported as ranging from 2.79% to 6.22% of the total spending of the Indian government in the period 2005/6 to 2015/16 (p. 19)[37]. The 'gender budget' is calculated as expenditure on programmes specifically targeted to women and girls; and expenditure on programmes with 'Pro-women allocations', in which at least 30 percent of beneficiaries are supposed to be women. However, there is no way clear way of verifying how much of the expenditure of programmes with 'pro-women allocations' actually goes to women and supports their empowerment.[38] Moreover, India does not have a well-developed performance budgeting system, so allocations are not linked to any gender-sensitive indicators of outputs and outcomes. The focus is on comparing the sums of money allocated in the budget to the sums of money actually spent, reflecting concern that allocations were not being fully spent. There is not a strong link in this system to influencing policy and allocations so as to close gender gaps across the many Ministries that do not target women. Moreover, India is a large federal country and much public spending is not covered by the Union Budget, as it is carried out by the states[39].

Nepal has developed a gender budgeting system that classifies expenditures in terms of how 'gender responsive' they are. The government reported that in 2014/15 these account for almost 22% of overall government budget.[40] The classification system used to arrive at this figure is much more complex than that used in India. Expenditures are classified into three categories: directly responsive to gender, indirectly gender responsive, neutral. The classification is based on a scoring system that takes account of different aspects of the gender responsiveness of the programme:

- Women's participation in formulation and implementation (max score 20)
- Women's capacity development (max score 20)
- Women's share in the benefit (max score 30)
- Promoting employment and income generation for women (max score 20)
- Qualitative improvement of women's time use or reduced workload (max score10)

Programmes scoring 50 or more are classified as directly supportive to women, those scoring 20 to 50 percent as indirectly supportive and scoring less than 20 as neutral. This is a complex system that may involve subjective judgements.

There are other countries that do not try to report on money spent on gender equality and women's empowerment in terms of a share of total spending, but that do have a system that links budget allocations to analysis of gender issues and to delivery of specified outputs that are designed to

[37] L. Chakraborty (2016). *Asia: A Survey of Gender Budgeting Efforts*, IMF Working Paper WP/16/150, p.14-19. Chakraborty cautions that the figures for each year are not strictly comparable for a number of reasons, but they do show that only a small percentage of the budget was considered to be allocated for gender equality and women's empowerment.

[38] Civil society commentators have raised this and a number of other problems with this approach. See for instance Y. Mishra and N. Sinha (2012) 'Gender Responsive Budgeting in India: What Has Gone Wrong?' *Economic and Political Weekly*, 47(50): 50-57

[39] Chakraborty (2016)

[40] Government of Nepal (2015) "Gender Responsive Budgeting: Initiation and present status in Nepal." Presentation by Y. Pt Third International Conference on Financing for Development.

promote gender equality and women's empowerment. An example is Rwanda.[41] From 2011/12 all Ministries were asked to prepare Gender Budget Statements that:

- identify sub-programmes that are important for gender-equality and women's empowerment and analyse the gender issues that need to be addressed (these go well beyond sub-programmes that are targeted to women, and include, for instance sub-programmes like land registration, where property may be being registered only in the name of the husband);

- identify which outputs need to be delivered to address those issues (registration of land in names of both husband and wife);

- identify which activities the ministry would need to carry out to deliver the identified outputs (such as improving and extending land registration);

- specify indicators to measure each output, using sex-disaggregated and gender-sensitive data (for example, proportion of property registered in name of both husband and wife); and

- indicate the allocated budget for the sub-programme.

This approach begins with gender analysis, then identifies outputs and activities required to improve gender equality and women's empowerment, and gender sensitive indicators of success in achieving these outputs, and finally, reports the amount of money allocated.

One reason for the differences in gender budgeting systems is that results-oriented budget systems have been introduced in some countries but not in others. Where it is in place, it is much easier to introduce a tracking system that goes beyond expenditure classifications and links allocation of finance to polices to reduce gender gaps.[42] The kind of tracking of allocations for gender equality and women's empowerment that is possible depends on the type of budgeting system in place in a country.

The IMF research project did not focus on quantifying how much governments are spending on gender equality and women's empowerment. Rather it focussed on whether gender equality focussed fiscal processes are being adopted and whether this seems to improve outputs and outcomes for women. In order to assess how far the budget process incorporated gender issues, the project identified a number of methods. Out of the 23 countries that were judged to have done most to implement gender budgeting, the number of countries using these methods was as follows[43]:

Broad statement of goals of Minister of Finance	15
Gender budgeting statement in budget documentation	19
Gender budgeting circular or related to instruct the bureaucracy	18
Gender budgeting in planning and programming	21
Gender budgeting outcome report or audit	12
Explicit reporting on gender equality spending	17

[41] J. Stotsky, L. Kolovich, and S. Kebhaj (201) *Sub-Saharan Africa: A Survey of Gender Budgeting Efforts, IMF Working Paper* WP/16/152, p.8-22.
[42] R. Sharp (2003) *Budgeting for Equity. Gender budget initiatives within a framework of performance oriented budgeting.* UNIFEM, New York.
[43] See Stotsky (2016) p. 39

There is evidently some overlap in these criteria and those suggested in the interim proposals for 5.c.1: for example, incorporation of gender-related guidance into call circulars or similar directives, production of a gender budget statement. Others of the criteria may cover the same ground though the terminology may be slightly different. The IMF research project did not have a particular focus on making information available to the public, though it did examine the extent to which parliamentarians and NGOs were involved in the gender budgeting process.

Information on gender budgeting practices was gathered through reviews of published documents and through a questionnaire which the IMF sent to all Ministers of Finance. The questionnaire contained 19 questions designed to establish whether the government engaged in 'a specific budget-based or fiscal (tax/spending) initiative to advance women's development and/or gender equality (sometimes referred to as "gender budgeting"). Most of the questions are not phrased in ways that directly map onto the criteria suggested in the UN Women interim proposal for indicator 5.c.1, as they do not inquire about allocations using the threefold classification suggested by UN Women, nor about the use of specific gender budgeting tools, nor whether information about allocations was made public, though there were questions about the role of parliament and civil society. There was a question about use of sex-disaggregated statistics:

> Did this initiative relate to required statistical reporting? (For example, splitting employment statistics into male and female, as a new (or on-going) practice. Please describe.

It may be worth considering incorporating a question about the use of sex-disaggregated data into the criteria for Indicator 5.c.1

The Working Papers produced by the IMF project did not directly report on the answers to the questions, but rather used them as background information to inform the Working Papers. There may be lessons to be learned about the responsiveness of Ministers of Finance to this questionnaire (what was the response rate, were the answers complete, etc. which may emerge in discussions at the EGM.

X. Lessons for Indicator 5.c.1 from the 2016 OECD survey of gender budgeting practices

The Public Governance and Territorial Development Directorate of the OECD conducted a survey of gender budgeting in OECD countries, the results of which were presented to the 37th Annual Meeting of OCED Senior Budget Officials in June 2016.[44] It follows from the OECD 2015 *Recommendations on Gender Equality* which sets out a multidimensional approach to advancing gender equality, including gender budgeting. The OECD survey defines gender budgeting as:

> integrating a clear gender perspective within the overall context of the budgetary process, through the use of special processes and analytical tools, with a view to promoting gender-responsive policies

Thirty-four OECD countries responded to the questionnaire, of which 16 reported the they have introduced (Austria, Belgium, Finland, Iceland, Israel, Japan, Korea, Mexico, Netherlands, Norway, Spain, Sweden), plan to introduce (Italy) or are actively considering the introduction

[44] OECD (2016) *Gender Budgeting in OECD countries*: *Results of the 2016 OECD Survey of gender budgeting practices. Annotated Agenda and Presentations available online: http://www.oecd.org/gov/budgeting/37thannualmeetingofoecdseniorbudgetofficialsstockholmsweden9-10june2016.htm*

(Turkey, Czech Republic) of gender budgeting. However, there was a wide variety of gender budgeting practices.

The OECD classifies gender budgeting practices in terms of stage of budget cycle: ex ante, used during budget preparation; concurrent, that accompany the budget when presented, and ex post that take place after the budget has been implemented.

Ex ante gender budgeting approaches

- Ex ante gender impact assessment: Assessing individual budget measures, in advance of their inclusion in the budget, specifically for their impact on gender equality.
- Gender budget baseline analysis: An analysis which is periodically conducted to assess how the existing allocation of government expenditures and revenues contributes (or otherwise) to gender equality.
- Gender needs assessment: A qualitative assessment, including views and opinions from stakeholders and civil society representatives, of the extent to which government policies and programmes meet gender equality needs, with a view to identifying priorities for policy action in the budgetary context.

Concurrent gender budgeting approaches

- Gender perspective in performance setting: Requirements prescribing that a minimum proportion of budget-related performance objectives be linked to gender-responsive policies.
- Gender perspective in resource allocation: Requirements prescribing that a minimum proportion of overall budgeted resources be allocated towards gender-responsive policies.
- Gender-related budget incidence analysis: The annual budget is accompanied with an official assessment, conducted by the central budget authority (or under its authority) of the budget's overall impact in promoting gender equality, including a gender-disaggregated analysis of specific policy measures (both revenue- and expenditure-related).

Ex post gender budgeting approaches

- Ex post gender impact assessment: Assessing individual budget measures, after their introduction/ implementation, specifically for their impact on gender equality.
- Gender audit of the budget: Independent, objective analysis, conducted by a competent authority different from the central budget authority, of the extent to which gender equality is effectively promoted and/or attained through the policies set out in the annual budget.

The interim proposals for Indictor 5.c.1 also call for ex ante and ex post assessments (Criterion 1.iv and 1.v); the OCED gives an expanded classification of types of ex ante and ex post assessment, and makes clear that the ex post assessment is not just about whether the money was spent but whether it had a positive impact on gender equality. The OECD categories of ex ante and ex post approaches set a gold standard which many countries do not yet meet. Of the 12 OECD countries that had introduced gender budgeting, ex ante and ex post approaches were used by as follows:

- Ex ante gender impact assessment 75%
- Gender budget baseline analysis 58%
- Gender needs assessment 33%
- Ex post gender impact assessment 58%
- Gender audit of the budget 33%

It is noteworthy that very few countries conducted a gender audit of the budget, although 9 out of the 12 conducted ex ante impact assessment. However, the OCED report cautions that the rigour and impact of the approaches to gender impact assessments appears variable.

The concurrent gender budgeting approaches identified by OECD do not map so neatly on to the interim proposals for 5.c.1 and introduce the idea of prescribed minimums, which is not part of Indicator 5.c.1.

The OECD survey found use of concurrent approaches by the 12 countries that had introduced gender budgeting as follows:

- Gender perspective in performance setting 67%
- Gender perspective in resource allocation 67%
- Gender-related budget incidence analysis 50%

'Gender perspective in resource allocation' covers the question of what proportion of overall budgeted resources is allocated towards gender-responsive policies. Austria, Iceland, and Israel indicated that they were not able to provide details of the level of resources allocated towards gender-responsive policies due to the cross-cutting nature of their gender budgeting work. Those that did report a share of the budget going to gender-responsive policies reported widely varying shares, ranging from Spain with about 6 % to Netherlands with almost zero. This is further evidence of the problematic character of attempts to come up with such estimates.

There is no focus on making information public in the threefold classification of approaches discussed above, but the *OECD Report* (p.29) does discuss the extent to which governments facilitate an 'inclusive, participative and realistic debate on budgetary choices', including through 'providing clarity about the relative costs and benefits of the wide range of public expenditure programmes ..'. However, the survey results indicated that 'opportunities for civic engagement on gender budgeting issues … are limited across OECD countries', and concludes that 'The general lack of gender-disaggregated data may be a factor which inhibits such broader discourse and critical engagement on the gender implications of resource allocation decisions'.

The OECD survey has around 20 questions, designed to collect some information through 'box ticking' but also with space for discursive descriptions. It is administered through a programme called Checkbox, and officials are recommended to use Google Chrome to work on the survey. Some of the questions are similar to those asked by the IMF, but the OECD survey goes into more detail on specific budget practices, asking questions, especially in Section 3, that do relate directly to the criteria set out in the interim proposal for Indicator 5.c.1.

Governments are requested to indicate (yes or no) if they employ standard guidelines from central budget authority on how to apply gender budgeting and if the annual budget circular includes details and instructions on the application of gender budgeting (which relates to criterion 1.i).

They are asked if they adopt a gender perspective in resource allocation and performance setting (which relates to criterion1.ii, in the sense that if the answer is yes, the sectoral budgets would be allocating resources to programmes that promote gender equality and women's empowerment).

They are asked if they conduct an ex ante gender impact assessment (relates to criterion 1.iv), an ex post gender impact assessment and a gender audit of the budget which relate to criterion 1.v).

However, there is no specific question on whether there is a gender budget statement (criterion 1.iii). Nor is there a specific question on how the government makes information about allocations for gender equality and women's empowerment public (criterion 2). However, the government is asked whether promotion of the principle of transparency in policy development and resource allocation is a significant factor in introducing gender budgeting measures, and also whether civil society organizations are involved in the use of the tools and methods mentioned above.

XI. Recommendations for consideration by the EGM

As an aid to EGM discussions, recommendations are put forward here on the criteria for having a system in place to track and make public allocations for gender equality and women's empowerment; and recommendations for the design and administration of a survey to collect the required data.

1. Recommendations on the criteria for having a system in place to track and make public allocations for gender equality and women's empowerment

I recommend the following, which is a modification of the UN Women interim proposal, in light of evidence considered in this paper:

A system will be considered to be in place if the country meets the three following criteria:

1. Resources are allocated not only for programmes that specifically target only women or girls; but also for programmes that target both women or girls and men or boys and have gender equality as the primary objective; and/or programmes where gender equality is not the primary objective but the programme includes action to close gender gaps (these programmes could include provision of infrastructure, public services and social protection).

2. The public finance management system uses at least three of the following tools:

    Call circulars or directives that provide guidance on gender responsive budget allocations (yes/no)

    Use of gender-specific indicators and data disaggregated by sex to inform budget decisions (yes/no)

    Ex ante gender impact assessments of the budget (yes/no)

    A gender budget statement (yes/no)

    Ex post gender impact assessments of the budget (yes/no)

    Gender responsive audit of the budget (yes/no)

3. Allocations for gender equality and women's empowerment are made public in a timely and accessible manner through official government publications and channels including ministry websites, official bulletins and public notices.

Rationale

This formulation of the criteria strengthens the link between target 5.c and indicator 5.c.1 because it requires countries to go beyond allocations that specifically target women and girls (always a tiny proportion of government spending) to allocate finance to reducing gender gaps across a broader range of programmes. Section 1 of the criteria does focus on effort rather than outputs or outcome, because the fact that allocations are made with the intention of promoting gender equality and empowering women and girls does not mean that this is achieved. However, Section 2 of the criteria does include use of some tools that focus on outputs and outcomes. This section encompasses a range of tools that governments may use to track allocations but does not require that governments use them all, because the evidence suggests that very few countries are making use of all of these tools. (It is possible to add to this list if so desired). Section 3 of the criteria requires governments to provide information to the public about the allocations, as this is a vital link between this indicator and its related target. All three sections of the criteria would need to be satisfied for a system to be in place- appropriate allocations, systems of tracking them, and making them public. The proposed criteria try to steer a middle way between making the criteria so restrictive that very few governments would be in compliance, and so loose that most governments would comply and there would be only a weak link between the indicator and the target. The criteria attempt to secure some comparability between governments by a tighter specification, compared to GPECD Indicator 8 and also, to some extent, compared to the interim proposals for indicator 5.c.1.

2. *Recommendations for the design and administration of a survey to collect the required data*

The survey would include the following questions:

1. Are allocations made to programmes that specifically target only women or girls?
   Yes/No. If yes please provide an example

2. Are allocations made to programmes that target both women or girls and men or boys and have gender equality as the primary objective?
   Yes/No. If yes please provide an example

3. Are allocations made to programmes where gender equality is not the primary objective but the programme includes action to close gender gaps? (These programmes could include provision of infrastructure, public services and social protection)
   Yes/No. If yes, please provide an example

4. Does the public finance management system use any of the following tools:

   Call circulars or directives that provide guidance on gender responsive budget allocations (yes/no).

   Use of gender-specific indicators and data disaggregated by sex to inform budget decisions (yes/no)

   Ex ante gender impact assessments of the budget (yes/no)

   A gender budget statement (yes/no)

   Ex post gender impact assessments of the budget (yes/no)

Gender responsive audit of the budget (yes/no)

5. Are allocations for gender equality and women's empowerment made public in a timely and accessible manner through official government publications (such as a gender budget statement), and channels including ministry websites, official bulletins and public notices. Yes/No. If yes, please provide copies, via electronic links where possible.

Rationale

It is important to keep the survey short and specific to maximise likelihood of officials completing the survey. The survey has more questions than the survey used for GPEDC Indicator 8, but considerably fewer than the IMF and OECD surveys. The request for specific examples is a means of internal validation. The guidance notes can provide a list of possible examples. The EGM might consider whether to also ask for examples of the use of the tools listed under question 4, but to do so might make the survey too complex. However, it is critical to ask for copies of the documents through which allocations are made public. This is both a method of internal validation, and also likely to reveal information relevant to questions 1, 2, 3 and 4.

Administering the survey and producing the indicator

The survey should if possible be administered on line via a programme such as Checkbox, as used in the OECD study, but this may not be feasible for all countries. The EGM needs to consider this.

UN Women, UNDP and OECD will need to work out the division of labour between them, bearing in mind that this survey needs to go to the Ministry of Finance in ALL countries. (In this respect it is different from the GPEDC survey and the OECD survey).

The returned surveys need to be scrutinized and possible inconsistencies crossed checked and further information sought if absolutely necessary. There will also need to be follow-up with governments that have not returned the questionnaire. Maybe publishing a list of countries that have, and a list that have not replied by a certain date would provide an incentive. The surveys will need to be processed and a list of countries that meet the criteria compiled. If a programme like Checkbox is used, then maybe this will make processing easier (determining this is beyond my area of expertise).

I strongly recommend an open database should be maintained of documents sent in response to question 5, as this will enable some comparisons to be made over time and between countries, and will provide a resource to strengthen capacities of parliamentarians, NGOs and researchers to hold governments to account. It will enable a stronger link to be made between indicator 5.c.1 and target 5.c: Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of women and girls at all levels. This link needs to be at the forefront when final decisions are made about indicator 5.c.1.

Annex 1: Final Criteria and Questionnaire

This annex presents the final criteria and questionnaire of Indicator 5.c.1. It reflects the methodology refinements post EGM and pilot testing of the indicator. This is the methodology that was presented to the IAEG-SDGs and resulted in the reclassification of the indicator to Tier II.[45]

Criterion #1: Which of the following aspects of public expenditure are reflected in your programs and its resource allocations? (In the last completed fiscal year)

1.1 Are there policies and/or programs of the government designed to address well-identified gender equality goals, including those where gender equality is not the primary objective (such as public services, social protection and infrastructure) but incorporate action to close gender gaps?
1.2 Do these policies and/or programs have adequate resources allocated within the budget, sufficient to meet both their general objectives and their gender equality goals?
1.3 Are there procedures in place to ensure that these resources are executed according to the budget?

Criterion #2: To what extent does your Public Financial Management system promote gender-related or gender-responsive goals? (In the last completed fiscal year)

2.1 Does the Ministry of Finance/budget office issue call circulars, or other such directives, that provide specific guidance on gender-responsive budget allocations?
2.2 Are key policies and programs, proposed for inclusion in the budget, subject to an ex ante gender impact assessment?
2.3 Are sex-disaggregated statistics and data used across key policies and programs in a way which can inform budget-related policy decisions?
2.4 Does the government provide, in the context of the budget, a clear statement of gender-related objectives (i.e. gender budget statement or gender responsive budget legislation)?
2.5 Are budgetary allocations subject to "tagging" including by functional classifiers, to identify their linkage to gender-equality objectives?
2.6 Are key policies and programs subject to ex post gender impact assessment?
2.7 Is the budget as a whole subject to independent audit to assess the extent to which it promotes gender-responsive policies?

Criterion #3: Are allocations for gender equality and women's empowerment made public? (In the last completed fiscal year)

3.1 Is the data on gender equality allocations published?
3.2 If published, has this data been published in an accessible manner on the Ministry of Finance (or office responsible for budget) website and/or related official bulletins or public notices?
3.3 If so, has the data been published in a timely manner?

[45] The reclassification took place at the sixth meeting of the Inter-agency and Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs), will be held from 11 to 14 November 2017 in Manama, Kingdom of Bahrain.

Optional Questions (Not Scored):

OQ.1 Is there a requirement to apply a gender perspective in the context of setting budget-related performance objectives (e.g. program-based or performance-related budgeting)?

OQ.2 Do subnational levels of government have systems to track allocations for gender equality?

OQ.3 Do subnational levels of government make the allocations for gender equality public?

OQ.4 Is a budget execution report provided, during the year or at year-end, showing the extent to which allocations for gender equality have been applied in practice?

OQ.5 What is the level of resources both in absolute terms (national currency) and as a percentage of total public expenditure, allocated to gender responsive policies and/or programs in the last financial year?

OQ.6 Has the Ministry of Finance consulted with the Ministry of Gender Equality or relevant government body on the necessary allocations for gender equality and women's empowerment?

OQ.7 Do women's organizations and parliamentarians monitor local and national budget allocations for gender equality and women's empowerment?

OQ.8 Does tax policy include gender equality considerations in its design and implementation?