

**Gender Responsive Budgeting in South East Europe
FYR Macedonia
September 2007**



with funding from

Austrian

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— Development Cooperation

and

Ministry for Foreign Affairs of Finland

GENDER RESPONSIVE BUDGETING IN FYR MACEDONIA

In the Former Yugoslav Republic (FYR) of Macedonia, UNIFEM carried out an assessment of the budgetary processes and public finance reforms in October 2006. In addition, consultations with partners from government and civil society took place to evaluate the needs and interest in gender responsive budgeting and to identify possible partnerships and specific entry points for intervention. Consulted stakeholders include: Representatives of Ministries (Finance, Labour and Social Affairs, Health and Education), Secretariat General at the Government of the Republic of Macedonia, civil society (women's NGO, research organizations), Gender Equality Commission in the Parliament of FYR Macedonia, Association of Units for Local Self-Governance, and Mayors.

The assessment and consultations revealed that program budgeting has been recently introduced in FYR Macedonia but it is in a very initial stage of application and the link between policy formulation and budgets is tenuous. In 2005, the Government also started a multi-year policy planning process with the introduction of three-year strategic plans that reflect government priorities at the ministerial level, but medium-term expenditure framework has yet to be established.

There is a very limited understanding of gender budgeting and gender issues in general within the public administration. Analysis of budgets from a gender perspective followed by advocacy for concrete changes in policies and allocations has not been implemented due to low capacity and data limitations. At the local level, participatory budgeting practices have been attempted in several municipalities and have opened important windows of opportunity to "demystify" the budgetary process and engage citizens in it. Such efforts can be further enhanced by bringing in the gender perspective and ensuring that women's needs and priorities are fully represented when budget discussions and decisions take place. Working at the local level can be particularly strategic because the process of decentralization, despite its many setbacks and delays, is progressing and the competencies of municipalities are expected to grow in the coming years (in important areas of concern for women such as social services).

The assessment has concluded that in its first stages, the gender responsive budgeting work in FYR Macedonia should focus on well-defined issue areas in order to build initial capacity on gender budget analysis and collect evidence and practices that can be used for advocating towards expansion to other sectors and ultimately, institutionalization of the tool.

Therefore, in 2007 UNIFEM is utilizing gender responsive budgeting as a tool to make visible the impact of specific public policies and budgets, and the lack of effective policies in certain areas, on women and gender equality. This will be achieved through two pilot projects launched in April 2007 and to be completed by April 2008. The strategies that will be utilized include:

- Building capacity of civil society organizations to carry out research and advocacy towards ensuring government accountability to women's rights
- Developing partnerships between expert think tanks and women's organizations towards developing solid knowledge base on assessing and costing the impact of policies and problems.
- Supporting evidence-based advocacy with policy makers and elected officials towards ensuring gender assessment of the impact of policies and budgets and provision of adequate budgetary resources for addressing domestic violence.
- Documenting best practices and lessons learnt that can be replicated and applied to other policy areas and other countries in the region, and involvement of media.

Below is a description of these two initiatives.

Gender aware appraisal of a new healthcare policy

The objective of this initiative is to demonstrate and promote the use of gender sensitive analysis in policy and budget making in order to ensure more equitable distribution of government resources, by exploring the implications of a specific policy measure (reduction of hospital stay for patients) on women's unpaid care work. It is led by the Center for Research and Policy Making, in cooperation with Organization of Roma Women ESMA, Women's Organization Aureola, Organization of Women of Municipality of Sveti Nikole as well as the Ministry of Health.

Background:

The so-called Diagnosis -Related Group (DRG) is a medical cost reimbursement method, which is used to rationalize hospital service by regulating the duration of patient stay in public hospitals. Several countries have utilized various forms of the DRG method, usually as part of government efforts to control public spending and increase efficiency in management of public funds. With similar intent, the Ministry of Health in Macedonia has planned to introduce the DRG in April 2007. However, there has been a delay and the measure is currently in process of discussion, with its adoption likely to happen in January 2008.

The gender implications of the DRG have not been analyzed by policy makers involved in its design. At the same time, experience from many countries suggests that when hospitalization is reduced, there is a shift from institutional to home care, and it is women who often take on the caregiving role for sick and recovering family members. Women's unpaid care work in the household remains "invisible" in economic indicators and national accounts and is often ignored in policy making. This often results in reinforcement of traditional gender roles and could lead to "false economies" where there is transfer of costs from visible monetary budgets in the public sector to the time budgets of women in families and communities and consequently, possible deterioration in their human capital.

Planned Activities:

- Analysis of the impact of the DRG on women's unpaid care work and assessment of the value of public savings incurred vis-à-vis the expected increase in women's unpaid care work and private health expenditures. Three case studies will be carried out in the municipalities of Struga, Sveti Nikole, and Shuto Orizari which will also shed light on the implications of the DRG on various groups of women (rural, urban and minority women).

- Capacity building in research methods and budget monitoring for gender equality advocates and in gender analysis for researchers and economists
- Advocacy for the institutionalization of gender aware policy appraisals as a regular instrument of policy making.

Assessing the social and economic costs of domestic violence

The objective of this initiative is to ensure adequate government spending aimed at preventing and addressing domestic violence, through more effective evidence-based advocacy. Leading the initiative is the Economic Policy Research Institute, in cooperation with the Center for Strategic Research and Documentation "Forum", Association for Emancipation, Solidarity and Equality of Women of the Republic of Macedonia (ESE), Akcija Združenska and government institutions working on violence against women.

Background:

There is an absence of systematic monitoring and regular statistics on the issue of domestic violence in FYR Macedonia. Nevertheless, data from occasional studies carried out by non-governmental organizations suggests that the problem is widespread and it affects all ethnic and socio-economic groups. According to one survey in 2006, 56% of the surveyed women were victims of psychological and 18% of physical domestic violence.

In 2004, revisions to the Family Law and Criminal Code recognized domestic violence as a crime for the first time, and contained relevant definitions and provisions for state response in cases of domestic violence. In November 2006, the Macedonian Parliament adopted a "Declaration for Combating Violence against Women, Including Domestic Violence", and committed itself to a series of steps of dealing with the problem, including "securing the necessary finances from the budget for realization of the activities aimed at combating violence against women, including domestic violence." In 2007, the Ministry of Labour and Social Policy has initiated the preparation of a "National Strategy on Protection from Domestic Violence" which will be implemented in 2008-2009.

It has been shown that beyond the emotional and physical devastation that it causes, domestic violence has extremely high financial costs, including costs to the victims, to the state and to society at large. So far there has been no attempt to assess the different types of costs of domestic violence in Macedonia. Such an analysis could provide important missing data and evidence for assessing the adequacy of state financial response to domestic violence and needed changes.

Planned Activities:

- Development and application of a methodology for estimating the multiple costs associated with domestic violence, followed by the production of the first comprehensive violence costing study in Macedonia.
- Establishment of an informal network between organizations and experts involved in the issue and development of a platform for follow-up actions.
- Advocacy for adequate provision of funding for prevention of domestic violence and for improvement of services to victims, on the basis of the research results.

These initiatives are supported under the UNIFEM sub-regional programme "*Gender-Responsive Budgeting in South East Europe: Advancing Gender Equality and Democratic Governance through Increased Transparency and Accountability*" launched in late 2006. The programme includes Albania, Bosnia and Herzegovina, Macedonia, and Serbia. It is implemented with funding from the Austrian Development Cooperation and Cooperation with Eastern Europe and the Ministry for Foreign Affairs of Finland. Its overall goal is to strengthen democratic governance and promote women's human rights through support for policy planning and budgeting processes to incorporate a gender perspective. For more information, please contact Asya Varbanova, UNIFEM Central and Eastern Europe
E-mail: asya.varbanova@unifem.org