

# JUST BUDGETS

**Increasing Accountability and  
Aid Effectiveness through  
Gender Responsive Budgeting**

**Zohra Khan**



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# Glossary and Acknowledgements

## Glossary

BFP	Budget Framework Papers
DBS	Direct Budget Support
FOWODE	Forum for Women in Democracy
GBS	General Budget Support
GRB	Gender Responsive Budgeting
Idasa	Institute for Democracy in Southern Africa
JAS	Joint Assistance Strategy
JMCW	Joint Monitoring Committee on the Improvement of the Quality of Life and Status of Women
MCDGC	Ministry of Community, Development, Gender and Children
MoFPED	Ministry of Finance, Planning and Economic Development
MOGLSD	Ministry of Gender, Labour and Social Development
MTEF	Medium Term Expenditure Framework
NAMs	New Aid Modalities
NWM	National Women's Machinery
ODA	Overseas Development Assistance
PAF	Performance Assessment Framework
PER	Performance Expenditure Review
PRBS	Poverty Reduction Budget Support
SWAps	Sector Wide Approaches
TGNP	Tanzania Gender Networking Programme
WBI	Women's Budget Initiative

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# 1 Introduction

In 2007 One World Action, launched a two year research and advocacy programme *Just Budgets*<sup>1</sup> in partnership with four leading African civil society organisations. The aim of the programme was to explore how gender responsive budgeting (GRB) could be applied to new aid modalities (budget and sector support) in order to strengthen gender equality outcomes in development cooperation. The research was a response to aid financing reforms articulated in the 2005 Paris Declaration on Aid Effectiveness.

The 2005 Paris Declaration establishes global commitments for donors and partner countries to support more effective aid in a context of significant scaling up and harmonisation. The key principles of the Paris Declaration are:

1. ownership;
2. alignment with partner country policies and priorities;
3. harmonisation and coordination of donor procedures and practices;
4. managing for results; and
5. mutual accountability.

The principles and approaches underpinning the NAMs have evolved over the past decade or so and were formally endorsed in the Paris Declaration. New aid modalities (NAMs) are intended to make development co-operation more effective through improving the quality and efficacy of aid.

However, it is unclear how to track national and donor government commitments to gender equality within the new aid architecture. Additionally, women's organisations are concerned about the impact of NAMs on financing for gender equality and women's rights and how gender equality commitments will be met in the new aid delivery mechanisms. *Just Budgets* aims to provide practical guidance to donors, governments and civil society on increasing accountability and aid effectiveness through GRB.

This report synthesises the experiences of South Africa, Tanzania and Uganda. Drawing on research from these three countries, the project examines the achievements, impacts and challenges of GRB; explores how gender budget analysis could be applied to direct and sector budget support; and finally provides recommendations and guidance on how GRB could be used to increase aid effectiveness. It makes the case for continued support to civil society organisations engaging in budget processes and argues for stronger gender responsive budget application to aid financing. The report also identifies enabling factors for institutionalising of gender budgets and potential entry points for civil society/donor/government policy dialogue on GRB.

The three countries researched vary in levels of aid dependency and economic development – Tanzania and Uganda are low income countries with high aid dependency while South Africa is a middle income country with a strong internal revenue base. However all three countries have made attempts, with varying degrees of success, to align national budgets to gender commitments. Based on the country research, we have developed a checklist for national governments, donors and civil society organisations on how to support and implement GRB at country level.

**“Gender budgeting must be promoted as a tool combined with general budget support and the sector wide approach.”**

*West African Women's Statement on Aid Effectiveness and Gender Equality, 2008*

# 2

## Why use gender budgeting for aid effectiveness?

GRB analyses the implications of public spending and revenue-raising for women relative to men and can assist in advocating for changes or shifts in public expenditure to match gender policy commitments. GRB is first and foremost a matter of accountability. It enables citizens to hold their governments to account for service delivery and fulfilment of their human rights. It can also help to ensure that development co-operation, increasingly flowing into partner countries as general and sector budget support, responds to gender inequalities in society.

Applying the methodology to development cooperation is significant because most low income countries are dependent on external resources to finance their public expenditures. Many governments receive funds for their national budgets through bilateral and multilateral aid. In Uganda, development partners financed about 42% of the 2006/07 budget, and the projection for 2007/08 is 38%. This picture of intensive donor dependency is the same in Tanzania with overseas development assistance (ODA) counting for around 42% of the government budget and 80% of the development budget. As a result, donors play an influential role in shaping national policy priorities, budget processes and, consequently, development outcomes.

Donors providing such assistance have their own gender policy commitments. For example, the UK Department for International Development's (DFID) Gender Equality Action Plan sets out how DFID will promote gender equality and women's empowerment in its development cooperation activities. The 2005 EU Consensus on Development and the 2007 European Commission Communication on Gender Equality and Women's Empowerment in Development Cooperation commit EU donors to ensure the effective implementation of strategies and practices that contribute to the achievement of gender equality and women's empowerment. However the increased use of budget support as a key aid delivery mechanism raises a challenge of how to meet gender equality commitments through such an instrument. GRB is one way to achieve this because it requires governments to apply gender analysis to the budgeting process at national and local levels. Southern governments also have commitments

to gender equality and women's empowerment. These usually flow from international declarations and agreements like the 1995 Beijing Declaration and Platform for Action (BPfA) and the 1979 Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW). Regional commitments such as the 2008 SADC Gender and Development Protocol and the 2003 Protocol to the African Charter on the Rights of Women in Africa place women's human rights and the empowerment of women at the heart of development. Many have strong national plans of action for promoting gender equality and have started implementing GRB. However, our research shows that financial and human resources for advancing gender equality and women's rights are inadequate.

Gender budgeting ensures that a gender perspective is integrated in budgetary planning and programming. It is therefore a key tool for ensuring that 1) gender analysis is mainstreamed in national, sector and local budgets 2) resources are ear-marked for women's empowerment programmes aimed at redressing gender inequalities. This twin-track approach is widely accepted by donors and governments as an effective strategy.

**“With the increasing use of NAMs, including harmonization of donor funds through direct support to national budgets, mechanisms are required at the national level to ensure that sufficient resources flow to gender equality programmes, and that accountability for results can be upheld.**

*UNIFEM, Financing Gender Equality is Financing Development, 2008*

# 3

## Key findings

The overall finding of our research is that NAMs provide some opportunity for ensuring equity of development results and benefits for women and men. Budget processes and related aid modalities are becoming more participatory and inclusive creating space for citizen-state engagement. Donors and national governments express policy commitments to gender which provide an important entry point for advocacy. Even as some donors are phasing out or reducing support to women's organisations many continue to fund such organisations in order to strengthen CSO capacity to act as agents of change charged with promoting accountability.

However, the Paris Declaration which provides the framework for the operationalising of NAMs, only refers to gender equality as a cross cutting issue which requires a harmonised effort. This could potentially open the space for more policy dialogue on gender equality and women's rights but only if deliberate measures are adopted including elevating gender issues into the mainstream of macro-economic policy formulation, planning and resource allocation. This could also facilitate the assessment of national and/or sector programmes targeted to gender equality and women's empowerment. Further, it is likely to enhance government's accountability to its citizens because harmonised planning, budgeting and service delivery will involve engaging local women and men.

Despite the opportunities, our research has found that gender has not featured as a core principle or variable in the development and implementation of the new aid modality instruments. For example, in Tanzania a review of some key tools and processes for implementation of General Budget Support (GBS) such as Poverty Reduction Budget Support (PRBS), Performance Assessment Framework (PAF) and the preliminary annual GBS review cycle indicates the complete absence of explicit gender mainstreaming approaches.<sup>2</sup> Even though the implementation of country level aid modalities is guided by the 2003 Monterrey Consensus and the Paris Declaration principles, both of which call for mainstreaming a gender perspective in donor (and country) financing initiatives,<sup>3</sup> there remains a gulf between policy and practice.

Similarly in Uganda, gender has not been consistently or effectively integrated into NAMs instruments. The research showed that donors have much leverage in inputting to budget discussions as aid contributes substantially to the national budget. Much donor aid is still tied to conditionalities such as a commitment to good governance, including addressing corruption and promoting accountability. However, the Ugandan Ministry of Gender, Labour and Social Development (MoGLSD) argues that a commitment to gender is absent. Donors argue that their support is aligned to national development plans and they cannot force governments to 'do gender'. As there are no clear mechanisms for ensuring that gender is mainstreamed throughout development cooperation, it is easily deprioritised.

As a result, gender equality has not been fully integrated in the negotiations and implementation of the Paris Declaration at country level. This coupled with limited government capacity for gender mainstreaming results in inadequate resources for programmes targeting gender equality and women's empowerment. There is an urgent need for promoting gender sensitive approaches in the key GBS modalities and processes, including annual GBS review cycles, progress assessments, performance monitoring and indicators for aid effectiveness.

The challenges of gender mainstreaming in development cooperation emerged in the South Africa case study as well. In 2007, total ODA contributions to South Africa were approximately 2% of the national budget. The National Treasury has some systems for tracking aid flow into the country but they do not monitor the outcomes and impact of such aid, especially in relation to gender equality and women's empowerment. In 2006 the Norwegian Agency for Development Cooperation (NORAD) conducted an evaluation to assess gender equality in development cooperation.<sup>4</sup> It found that decentralisation of resources to countries and NAMs have diverted attention away from gender equality. Competing agendas have arisen and gender equality is 'put on the backburner'. There is a declining interest and support in national gender machinery and threats of reduction in support to women's organisations.

# 3

Despite the challenges above, our research notes that organisations such as the Tanzania Gender Networking Programme (TGNP) and the Forum for Women in Democracy (FOWODE), in collaboration with national ministries and development partner working groups, have been developing strategies aimed at supporting the government and donors to build an understanding of the transformative potential of NAMs. This will ensure increased financing for gender equality and for enhanced effectiveness in tracking and managing aid outcomes on women and men's lives at different levels.

TGNP for example are working at three levels:

- Engaging to influence for pro-poor and gender analysis in the ongoing policy and expenditure reforms implemented by the government as part of "strengthening country level systems";
- Engaging and supporting government sectors for systematised and effective application of gender budgets at national, sector and local levels and;
- Engaging to influence the GBS content, processes and outcomes for gender-responsiveness.

GRB is an important tool for measuring gender equality outcomes in national development plans and development cooperation. If gender is effectively mainstreamed in national plans and consequently in all ministries, it would follow that development co-operation that supports the work of the ministries, will be gender responsive. GRB will lead to gender responsive aid.

## Budgeting as a key tool for engendering aid financing in Tanzania

There has been a growing realization in Tanzania that gender budget work could potentially enhance aid effectiveness by ensuring that national and sector budgets are allocated and disbursed in a gender-equitable way. GRB is an important tool for holding donors and governments accountable for gender equality and equity impacts of their financing through NAMs.

Ongoing efforts on gender budget work in the country can be categorised into three areas. The first area is activities designed to assist the government to increase its capacity for generation and application of gender disaggregated statistics and data for macro-economic planning. The rationale for this is that national macro-economic planning frameworks and processes, such as macro-modelling and the Budget Guidelines, direct the new modalities for aid financing, especially the GBS, through the annual or three year budget plans.

One of the key initiatives undertaken in this area was drawing the government's attention to: 1) the contribution of women's unpaid labour to the GDP, 2) the need to analyse annual projections and directives provided through the national Budget Guidelines from a gender perspective. Although gender mainstreaming efforts at this level have been slow in realising outcomes, the study points out some key achievements, including the government's agreement (Ministry of Planning) in 2006/7 to conduct a Time-Use survey as an additional module for the National Labour Force Survey.<sup>5</sup> This and other related efforts have been observed to be a key achievement in leading to increased aid financing to sectors (such as water, health and energy) which disproportionately impact women's time.

The second area of focus on gender budgeting has been the enhancement of gender-responsiveness in the Public Expenditure Review (PER) framework.

# 3

As confirmed by the study, PER is a key process in tracking expenditure for fiscal years, production of cluster/national analyses for the predictability of revenue and resource envelope and strengthening efficiency of financial management. The current PER processes thus provide an opportunity for tracking results of aid financing or allocations at the national and in particular at sector/cluster levels.

For example, the on-going efforts in streamlining PER and Medium Term Expenditure Framework (MTEF) budgeting processes, which aim at aligning the government budget and aid financing of MKUKUTA (National Poverty Reduction Strategy) through MTEF, was seen as offering a number of opportunities for improving gender-oriented monitoring and documenting results. Such a mainstreaming focus is relevant in terms of fostering government and donor commitment to evaluating performance against approved budgets and output targets on gender. This will ascertain how funds were spent in addressing gender equality and equity objectives - whether the spending units achieved the intended gender oriented goals as provided for in MKUKUTA. When this process becomes effectively functional, it will add value by making visible whether gender issues are a priority for development expenditure among and within sectors and ensure their consistency with the Medium Term Expenditure Framework.

Another influencing opportunity arises during budget implementation through PER process expenditure monitoring mechanisms. For example, attempts have been made, but need to be strengthened, to track expenditure and effectiveness of resource flows from central ministries to districts from a gender perspective. At this level, gender budgeting and gender expenditure tracking needs to be further improved as part of PER expenditure monitoring mechanisms. This was observed to have started to be implemented, although in a limited way, by CSOs and gender advocates through the use of budget tracking tools such as PETS at the local/district levels. However, CSO capacity in tracking expenditure with gender

perspectives needs to be improved as part of the PER expenditure monitoring mechanisms.

In addition, the annual PER studies - (which are shared publicly in Annual PER consultative forums) - offer another key opportunity for reviewing the major results and lessons of implementing MKUKUTA strategies from a gender perspective. The PER study for the water sector, conducted in 2003, was cited to have included an effective gender review of the impacts of budget spending in the sector, a situation that led to increased financing to activities (e.g. rural water) with high potential for gender equality and women's empowerment. It is within this context that the study emphasises the significance of the PER processes in strengthening the tracking of resource allocation and implementation of gender equality objectives and goals as provided for in the MKUKUTA framework. However, for this process to realise its full potential, the government and donors need to strengthen capacity of key actors in tracking results, impact and reporting.

*Extract from Tanzania report by Rusimbi and Kikwa*

**"States Parties shall ensure gender sensitive and responsive budgeting at the micro and macro levels, including tracking, monitoring and evaluation."**

*SADC Protocol on Gender and Development, 2008*

# 4

## Enabling factors for gender responsive budgeting application in development cooperation

### Budget reform

Budget reforms in South Africa, Tanzania and Uganda provide important entry points for accountability in the budget process. In Tanzania for example budget reforms have involved the introduction of a Medium Term Expenditure Framework (MTEF). The MTEF requires budgets to be planned over three years and is a tool to encourage cooperation across ministries and for longer than the immediate upcoming fiscal year. It is generally agreed that the MTEF enhances predictability and stability by letting ministries know what resources are available and enhances transparency as it makes government long term policy goals public and therefore open to discussion.

Furthermore, the performance aspect of such reforms has introduced the idea that budgets should follow policy rather than the other way round. This means that the budget should be seen as a means of attaining development objectives (including gender equality) rather than simply a way of controlling the deficit and ensuring that figures are adding up. Budget reporting should also provide an indication of what was achieved with the resources. This means that sector/cluster budgets must reflect outputs - such as how many people were reached through a particular type of service - as well as outcomes - how have lives changed as a result of this expenditure.

All the focus countries have introduced MTEFs opening up space for gender analysis of budget instruments and processes. In Uganda, the introduction of participatory budgeting immediately created a demand for results - oriented management. The research notes that the emphasis on performance i.e. linking resource use to outputs and outcomes has placed higher demands on the government to become more transparent and accountable and to ensure that services reach the poor. The shift towards performance-based budgeting and monitoring provided an entry point for GRB. FOWODE capitalised on the opportunity to lobby government to pay attention to the manner in which public expenditure areas are prioritised and how resources are allocated to competing national and sector interests.

### Indicators to measure progress

Similarly in Mozambique and South Africa, women's rights advocates noted that budget reforms hold significant potential for accountability on gender policy commitments. This is further enhanced if output and outcome indicators are gender-sensitive i.e. sex-disaggregated. It heightens the need for further relevant gender skills and knowledge to be provided to government planners and budget officers, especially in the areas of social issues. This could happen as part of technical support provided by donors/government in enhancing budget reforms in different sectors.

#### Budget reform in Tanzania

The promotion of gender budgeting work through the ongoing budget reforms (i.e. adoption of MTEF and a programme-based approach)<sup>6</sup> is another area where major implementation efforts have taken place. These reforms, which include the more recently adopted processes of streamlining the budget with the MKUKUTA framework, i.e. implementation of cluster-focused budgets, are potentially positive for gender mainstreaming. The MTEF or performance-oriented budget in particular, has shown significant potential for achieving aid financing (budgeting) results and outcomes with gender equality and equity, among other objectives.

Taking advantage of these reforms in public financing, allocation and expenditure in the country, gender advocates such as TGNP and some within, government, have been using the MTEF budget processes as one of the key points of entry for applying gender budgeting approaches for enhanced gender mainstreaming in national planning and budgeting<sup>7</sup>. Much as this approach is still in its infancy stages of implementation, and concentrates on only a few sectors<sup>8</sup>, it offers greater possibilities for holding the government and donors accountable for financing budgets that deliver to women and men with efficiency and impact.

# 4

In particular, in relation to the management of results of NAMs with gender impacts, programme-based budgeting holds significant potential for the development of output and outcome indicators which are more gender-sensitive. For example, outcome indicators are aimed at showing changes in women and men's lives achieved through budget expenditures. When these results are documented effectively for reporting and reviews, they can contribute immensely to influencing donor and government financing priorities in those areas that are important for women's livelihoods.

As a key strategy adopted for enhancing management of results in cross-sector MTEF, the ongoing efforts at gender budgeting in the country can contribute to tracking results of NAMs. This can be done through reporting on implementation of MKUKUTA and sector-wide approach monitoring. Currently, reporting on the budget allocated for gender equality in the different sectors is still limited, although there is a growth of gender related information resulting from analyses of government and donor budgets. There is also a lack of awareness and capacity of key government planners and budget officers at different levels for GRB approaches. This includes the tracking of results of budgeting outcomes through MKUKUTA sectors/ clusters with gender sensitivity.

Within this context, tracking of aid financing results through gender budgeting at the sector and national levels is in need of enhanced efforts through capacity development. This calls for further training and coaching of planners and budget officers for building effective understanding on how key cross-cutting gender issues in the sectors could be budgeted for and monitored through the MKUKUTA clusters. It will also involve building the capacity of planners and budget officers in generating and applying sex/gender disaggregated data in their day-to-day work. This capacity will strengthen gender-sensitive budget proposals provided through annual budgets and

will be a useful component in the processes tracking results or impacts of aid financing for gender equality at different levels.

*Extract from Tanzania report by Rusimbi and Kikwa*

### Transparency and participation

Transparency in the budget process is crucial to enable women's rights advocates to get in early, to participate and to influence decisions. The Uganda study notes that prior to the mid 90s, budgeting was an exclusive process involving a small cross-section of government bureaucrats. The process was not transparent and resources were allocated in an arbitrary manner. The initial focus of GRB in Uganda was on making the budget process more participatory. As a result of these efforts by a coalition of women's rights and advocacy groups<sup>9</sup>, parliamentarians and government officials, parliament passed the Budget Act that enhanced CSOs and donors' involvement in the earliest stages of budget formulation. CSOs now participate in the budget process through the CSO budget team. The respective CSOs prepare evidence-based position papers, related to their different mandates, to be considered in the budget process.



### Mapping the opportunities for using GRB in Uganda

At a national level, FOWODE conducts gender budget analysis on three key sectors: agriculture, health and education. Occasionally, FOWODE conducts a gender analysis of the national budget. FOWODE uses this analysis for evidence-based advocacy. These sectors, especially education and health, are some of the most advanced as far as mainstreaming gender in their annual Budget Framework Papers (BFPs) are concerned. This provides an important opportunity for donors supporting sector-wide programmes (SWAPs) in Uganda especially if they develop mechanisms to track disbursements.

At the local government level, FOWODE and Action For Development (ACFODE) have been providing practical hands-on training in gender budget analysis. This has translated into more gender responsive local government plans and budgets in the six districts in which the two organisations operate - Luwero, Kibaale, Kabale, Pallisa, Masaka and Tororo. Parliamentarians and local government councillors commend FOWODE's GRB work arguing that it has improved the quality of Parliamentary debate in relation to arguing a case for gender-responsive policies. As a result of FOWODE's activism, there is now widespread awareness and acceptance of the need for GRB. The GRB process has now shifted to the heart of government operations with the Ministry of Finance, Planning and Economic Development (MoFPED), which is responsible for resource mobilisation and allocation, taking the lead.

One of the national priority poverty actions is gender and equity budgeting analysis. Accordingly, in 2004, the MoFPED prepared Gender and Equity Guidelines as well as a User's Manual and Implementation Strategy Guidelines to assist in the preparation of BFPs that address gender and equity issues. This has provided the necessary fiscal underpinning to the government's gender equality/equity commitments. Through the Budget Call Circulars of 2004/05 and 2005/06, the MoFPED mandated all sectors to integrate gender

and equity in their BFPs. The User's Manual was attached to the Budget Call Circulars. However, due to lack of capacity, this was not put to good use. To address this challenge, the MoFPED organised GRB capacity-building for gender focal persons, planners and budget officers in five sectors - health, agriculture, education, JLOS (Justice, Law and Order Sector), and water and sanitation. The numbers of trained staff are too low to create the necessary critical mass for GRB to be institutionalised. Further, despite the national requirement for GRB, the MoFPED is yet to start penalising sectors for non compliance. The MoFPED intends to do so as soon as the GRB capacity of the responsible officers is effectively strengthened.

FOWODE's success in influencing policy is partly attributed to its strategy of working with government. In line with a mainstreaming approach, FOWODE works mainly with the officers responsible for planning and budgeting rather than solely with gender focal points. It also works with the politicians such as MPs and councillors who are responsible for national, sector and local government policy and resource allocation. FOWODE is one of the two NGOs in Uganda which are members of the Poverty Eradication Working Group. Amongst other things, this working group is charged with:

- Making recommendations on the overall allocation of resources and intra-resource allocations within sectors;
- Reviewing and recommending which sectors qualify to be under the PAF;
- Guiding the sector working groups in applying gender and other Poverty Eradication Action Plan (PEAP) crosscutting principles to the BFPs.

*Extract from Uganda report by Tanzarn*



### National policy frameworks

The national development and gender plans of action provide an important opportunity to harmonise development financing and gender equality objectives as commitments to gender are clearly articulated in these plans. For example in Tanzania wide-scale efforts were made by the national gender machinery, MCDGC (Ministry of Community Development, Gender and Children) in collaboration with the Gender Macro Policy Group (GMPG) coalition<sup>10</sup> and women's rights advocates to engender MKUKUTA as a key medium term policy framework, which in essence is being implemented through GBS financing in the country.

As part of these efforts, several key studies were conducted to guide the systematic engendering processes of MKUKUTA. These included: Gender and Macro Economic issues (GMPG, 2004a); Gender in the Legal sector (GMPG, 2004b); Gender, Health and HIV/AIDS (GMPG, 2004c), Gender and Governance (GMPG 2004d) Gender and Local Government (ALAT, 2004) and Gender and Poverty (TGNP, 2004). These and other initiatives resulted in putting in place a more strengthened gender focus in key strategies of MKUKUTA. For instance, key gender issues identified during the diagnostic stages of MKUKUTA were considered in all the three MKUKUTA clusters. Furthermore, efforts were also directed towards influencing the preparation of the MKUKUTA Monitoring Framework and Indicator Information in 2005 where several key gender oriented indicators became part of the list of indicators. With enhanced gender capacity and the commitment of MKUKUTA implementers as well as increased allocations to the different clusters, gender mainstreaming approaches have the potential of being implemented more effectively and efficiently. This will provide for greater effectiveness and impact of aid financing.

The Ugandan government's commitment to poverty eradication is outlined in the Poverty Eradication Action Plan (PEAP). The PEAP was developed through a consultative process that included conducting participatory poverty assessments which provided a key entry point analysing and addressing the gender dimensions of poverty. This has been through: 1) bringing the voices of poor women and men into the formulation of policies for poverty eradication; 2) providing evidence of how differently women and men perceive and are affected by poverty; and 3) making a case

for a gender perspective in the poverty reduction strategies of the various sectors. Other efforts to engender the PEAP process included: 1) establishing a PEAP Gender Working Group; 2) commissioning a desk review on engendering Uganda's poverty eradication initiatives;<sup>11</sup> 3) development of PEAP sector guidelines for gender mainstreaming; 4) commissioning a gender review of sector PEAP revision;<sup>12</sup> and 5) a gender analysis of the national household surveys.<sup>13</sup> These efforts have been effective because the PEAP identifies gender inequality as one of the challenges to poverty eradication. The PEAP acknowledges the link between gender and poverty and underscores the need to consciously target and benefit both women and men. It urges the respective sectors to integrate gender into their spending priorities. The increased availability of information concerning national poverty eradication efforts has allowed civil society, parliament and development partners to have some influence on resource allocation providing a good foundation for GRB analysis.

### National women's machinery

National women's machineries (NWM) are a key mechanism for monitoring the implementation of NAMs as they have policy oversight for gender mainstreaming. However our research found that national machineries, which include gender ministries, gender focal points in line ministries and gender focal points in local governments, were not in the mainstream of policy making nor do they take an active role in NAM processes. There are various reasons for this including the lack of funding for the NWMs to execute their mandate and the lack of specialist capacity to engage with NAMs.

**“Public Finance Management systems and practices need to [promote] participatory and gender responsive budgets as tools for including the voices of the poor and of women in fiscal policy.”**

*Civil Society Key Recommendations for Doha Draft Outcome Document, 2008*



### Key challenges for NWM in Uganda

Due to under-funding, the Uganda MoGLSD lacks the capacity to undertake the following activities which are related to its mandate:

- Establish appropriate mechanisms for coordinating gender mainstreaming at the different levels;
- Provide technical support on gender mainstreaming to sectors, institutions, local governments, CSOs, donors and the private sector;
- Set standards, develop gender guidelines, disseminate and monitor their implementation;
- Provide support to gender focal points, sector gender working groups and local governments with a view to improving their effectiveness; and
- Coordinate the monitoring and evaluation of the Uganda Gender Policy and gender responsive development in the country.

*Extract from Uganda report by Tanzarn*

In Tanzania, Ministry of Community, Development, Gender and Children (MCDGC) officials reported that they were unable to engage in dialogue on development cooperation because they were not informed of meetings and were often marginalised in NAM processes. They also lack the technical expertise and capacity to engage. As a result, they are unable to get gender equality issues on the agenda of key NAM discussions.

Financial support for NWM is essential for ensuring that gender is effectively mainstreamed in budget planning and programming. Our research in Uganda showed how the MoGLSD benefited from Danida project support in the 1990s. With this support, the Ministry prepared the first National Gender Policy, gender training outlines and created gender awareness at national and local government level. It also initiated the process of preparing sector specific gender policies in ministries such as education and agriculture.

Our research pointed to a general lack of political will to create space for the NWM's to engage more effectively in

NAM processes. Sustained financial support is important but it is also essential that Ministries, such as Finance and Planning, that usually take the lead on aid discussions, ensure that Gender Ministries are consulted, informed and empowered (with skills and capacity) to participate in NAM processes.

### The role of parliament

Parliament has a constitutional mandate and responsibility for approving the budget annually. In collaboration with local government councils and civil society it has a key role in monitoring the outcomes of government spending. Tracking outcomes of expenditure against gender commitments is an important aspect of improving accountability and transparency of government and donor financing. It is therefore necessary to increase the capacity of Members of Parliament (MPs) to understand how gender budgeting works and how it could be used as a tool to enhance government accountability.

Our research showed evidence of the importance of this strategy. For example in Tanzania, TGNP has involved MPs in gender budget work through key parliamentary committees by supporting and equipping them to analyse budgets from a gender perspective thereby fulfilling their oversight function. A major challenge for MPs and organisations like TGNP is a lack of information and capacity to engage with NAMs. MPs interviewed for this research informed that they were unaware of the gender implications of NAMs and requested awareness-raising and capacity-building. TGNP identified the need for more collaboration between parliament, government and CSOs but reiterates that the onus lies on MPs to ensure they have the relevant information to exercise their oversight role.

Effective partnership is key to successful GRB. The South African Women's Budget Initiative (WBI) began in 1995 – a year after the first democratic elections - as a partnership among parliamentarians, NGOs and academics. The initiative brought together the specialist skills and knowledge of researchers and the political influence of MPs to play an oversight role in the newly established parliament. It was envisaged that the researchers could



feed information into the parliamentary forum where it would be used by MPs to advocate for gender equality. The South African WBI was initiated by civil society groups and MPs. It was not a government initiative.

### Working collaboratively to enhance GRB

During the early years of the WBI, women parliamentarians were actively engaged in gender budgets. The value of the WBI lay in its combination of MPs and NGOs, which enabled them to mobilise for gender-sensitive budget analysis. For parliamentarians, this convergence of MPs and NGOs around a common cause was a key milestone. The Joint Monitoring Committee on the Improvement of the Quality of Life and Status of Women (JMCW) was able to use budget debates to raise public awareness by asking ministers for reports and holding hearings with civil society on poverty, gender, macroeconomic policy and budgets. A year after the WBI was established, the Finance Minister in his budget speech committed the government to developing gender-disaggregated data, gender-sensitive targets and indicators and a performance review mechanism (currently part of the Provincial Budgets and Expenditure Review tabled annually in Parliament). He also committed his ministry to counting unpaid labour as a contribution to the national economy, and in 2001 Statistics South Africa produced the country's first study on unpaid labour.

In 1997, when it submitted its report to the JMCW, the Finance Ministry indicated its commitment to 'an integrated gender analysis to macroeconomic policy'. In the financial year 1998/99, the National Budget Review was presented to parliament and government again reaffirmed its commitment to 'integrate gender analysis into budgetary processes'. The Budget Review also indicated that the Department of Finance had included 'gender-disaggregated information where available and appropriate, to permit an informed analysis of the impact of the Budget on men and women'.

A good example of GRB programming is the Working for Water project. On the evidence of such data, this programme decided that 60% of all wages should be paid to women, 67% should be paid in rural areas, and special emphasis should be placed on flexible working time for single parents. In the first quarter of 1998, of 42,000 jobs created, 55% went to women. At the time of writing the WBI is inactive although some relevant work is being continued with the JMCW and, more recently, the Western Cape Provincial Government.

*Extract from South Africa report by Claasen*

Parliamentarians can also play an important role in opening up budget processes to civil society scrutiny. As evidenced in the Uganda case study.

The Parliament in collaboration with local government councils and civil society has a key role in monitoring the outcomes of government spending. Tracking outcomes of expenditure against gender commitments is an important aspect of improving accountability and transparency of government and donor financing.

In order for GRB to be effective, there is a need for vibrant civil society with the (financial) capacity to take advantage of new opportunities such as the NAMs and to monitor government. Working together, CSOs engaged in GRB can support stronger gender advocacy in order to influence the NAMs. Donors should fund CSOs activities.

**Domestic resource mobilization should incorporate gender-responsive budgeting to ensure that commitments to gender equality, poverty eradication and social welfare protection are adequately funded"**

*WIDE position paper for Doha, 2008*

# 5

## Potential entry points in new aid modality processes

### Spaces for policy dialogue

Our research found that various mechanisms exist for dialogue on NAMs. Many of these are open to civil society organisations. For example in Uganda, there are forums for CSO/government, CSO/donor, and government/donor dialogue in relation to the budget. These include the PEAP, the budget, the sector wide approach SWAp and the Joint Assistance Strategies (JAS) processes. The Aid Liaison Department in the MoFPED is responsible for liaison with individual development partners, negotiating agreements, maintaining aid data and managing interactions with national aid coordination mechanisms. Donors in Uganda are organised through membership to the Local Development Partner Group (LDPG). The LDPG oversees aid coordination and is supported by a harmonisation sub-group which works on implementing the Paris Declaration. The central objective of the LDPG is to increase the effectiveness of development cooperation in support of national goals and systems.

There are also sector and thematic working groups chaired by external partners, for example a democracy and governance group and a private sector group, to coordinate support to sectors and sub-sectors. These operate through Sector Working Groups (SWG) and SWAp processes. The Donor Economist Group spearheads dialogue on the budget process with the MoFPED, through the Public Expenditure Working Group. A PRSC steering committee chaired by the Office of the Prime Minister is responsible for government/donor dialogue on general budget support. The terms of reference for these different groups do not explicitly include gender targets. The level of gender sensitivity in these dialogue structures is highly contingent on their make-up. The Donor Economist Group is increasingly becoming more responsive to gender because its membership includes a former member of the Donor Coordination Group on Gender. She is perceived by her peers to be very assertive, articulate and convincing in arguing a case for gender.

In Tanzania, our research notes that harmonisation by donors around gender equality and NAMs are currently limited to the working group on gender. The other working groups do not play an active role in enhancing gender

accountability in relation to policy and financing issues. Moreover, the accountability mechanisms applied by donors to issues of GBS and SWAps are mainly related to improving accountability systems within government machineries with an emphasis on corruption, and not on gender equality issues. Within this context, the Paris principle of mutual accountability between the donors and government on gender equality issues is yet to be made explicit.

The research also describes how donors could play a proactive role in ensuring that gender equality is mainstreamed in the GBS modalities and processes. These include agreeing jointly with the government on making gender a commitment objective at the highest level of JAS/GBS consultative and decision making processes (e.g. Development Cooperation Forum, JAS and Harmonisation Group). Donor efforts are also needed to influence the review of all key GBS tools such as PRBS, annual GBS review cycle, PAFs and others for inclusion of gender analysis. Donors should also conduct their own capacity-building to enhance their understanding on gender and NAMs. This training will need to involve all Donor staff (including economists) and not only those working on gender programmes or gender desks. Such a plan will equip donors with relevant gender information, tools and data for enabling them to effectively monitor and track gender policy outcomes within aid financing.

Donor working groups are a key entry point for civil society organisations to lobby donors on aid effectiveness in relation to gender equality. However, our research found that the working groups on gender were not in the mainstream of policy dialogue and therefore remained marginal or peripheral to the main policy agenda. MPs, civil society and women's organisations, must hold both governments and donors accountable for increased financing for gender equality and implementation of existing commitments.

The South African research reported insufficient opportunity for CSO/donor policy dialogue. The International Development Cooperation Directorate (IDC) sits in the National Treasury. As South Africa does not rely on external aid, there is little donor accountability to CSOs. All the donors interviewed indicated that they have

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well-established relations with civil society groups and hold regular meetings with them on the programmes and interventions in which they are partners. For example, the Canadian International Development Agency and the European Commission consult civil society groups in designing their strategy framework for South Africa. But such ad hoc consultation does not provide the space for CSOs to hold donors accountable for their commitments as mechanisms simply do not exist and if they do, often exclude smaller more activist CSOs especially women's organisations.

Donor/government relations are far more formalised with mutual accountability mechanisms in place. But this kind of transparency does not exist in their relations with civil society. This provides an opportunity for CSOs to negotiate their participation in this dialogue in order to then monitor these processes; hold donors and governments accountable; and report to their own constituents on what is occurring in these processes and the role and influence they can exert internally or externally.

Some civil society actors have been engaged in lobbying to monitor the activities of donors in South Africa and the region. A good example is African Monitor, an independent African body which acts as a catalyst to monitor development funding commitments, delivery and impact at the grass-roots, and to bring strong African voices to the table. It has started to monitor the delivery of commitments by donors and African governments. It also wants to assess and monitor programme effectiveness at grassroots level in order to advocate for accelerated delivery and development effectiveness based on evidence from the ground.

**“The Beijing Conference on women in 1995 marked an important step in the development of gender statistics. Governments agreed on a set of important actions to “generate and disseminate gender-disaggregated data and information for planning and evaluation”**  
*Platform for Action and the Beijing Declaration, 1996*

# 6

## Gender responsive budgets – A matter of accountability

The Paris Declaration and related NAMs offer some scope for gender analysis and advancing gender equality in development cooperation. However this can only be achieved if deliberate measures are taken to ensure that the five principles outlined in the Paris Declaration - ownership, alignment, harmonisation, managing for result and mutual accountability – respond to the needs and interests of all women.

Our *Just Budgets* project supports gender responsive budget application in direct and sector budget support. Our research shows that gender budgeting can be applied to NAMs if there is political will, parliamentary oversight, technical skill, capacity and vibrant civil society. We have developed a guidance note for donors, national governments and women's organisations on strengthening accountability and gender responsiveness within budget processes. Using a generic budget planning cycle that includes the 4 key stages of budgeting planning, we have identified key questions that need to be tackled at each stage in order to put policy commitments into action.

### Budgetary Planning Process



### Stage 1 Identification and Budget Preparation

#### Donors

##### Does the donor have an overall gender policy?

- Is the country strategy paper and/or Joint Assistance Strategy coherent with the gender policy?
- Are these documents informed by gender disaggregated statistics and indicators?

#### Government

- Does the government collect gender disaggregated statistics and information?
- Has the government developed gender sensitive indicators that would show progress towards gender equality and women's empowerment?
- Are the national development plans outlined in the Poverty Reduction Strategies (PRSPs) gender sensitive?
- Are the key gender policy priorities integrated into fiscal planning tools such as the Medium-Term Expenditure Framework (MTEF)?
- Is the allocation through the MTEF/Long Term Expenditure Framework (LTEF)/PRSP gender disaggregated?

#### Civil society – Women's organisations

- Have women's organisations analysed government and national donor policies?
- Have they proactively engaged with government and donors to improve the collection and analysis of gender statistics?
- Have they engaged women to ensure that marginalised voices are reflected in statistics and information?

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### Stage 2 Commitment and Enactment

#### Donors

- Are donor policy commitments to gender equality and women's empowerment reflected in discussions and the allocation of aid?
- Is aid earmarked for implementation of gender specific commitments?
- Is there donor support for national gender machinery and women's organisations?
- Were women's organisations consulted before commitments were made?
- Are disbursements to government timely and adequate?

#### Government

- Are government commitments to gender equality and women's empowerment reflected in discussions and allocation of resources?
- Are funds earmarked for programmes aimed at supporting women's empowerment and/or for women's organisations?
- Were women's organisations consulted on budget allocations?

#### Civil society – Women's organisations

- Are women's organisations tracking aid flows into their countries?
- Are women's organisations trying to influence budget planning in their countries?
- Are women's organisations holding their public officials to account by lobbying their Parliamentarians to ask questions when the Budget is tabled in Parliament

### Stage 3 Implementation and Monitoring

#### Donors

- Do donors have monitoring mechanisms to track aid?
- Do these measure the gender impact of their allocations?
- Are donor gender working-groups supported and consulted during the implementation and monitoring stage?
- Are donors investing in civil society in order to build their capacity and skills for budget monitoring?

#### Government

- How is the gender impact of the budget measured vis-à-vis gender policy priorities?
- Are gender indicators used to measure the performance of the budget?
- Is monitoring of allocations to gender programmes/projects part of the periodic review processes i.e. PRSP, JAS, Budget Support Review (BSR), MTEF reporting?

#### Civil society – Women's organisations

- Are women's organisations actively monitoring government performance?
- Are they engaged in advocacy, including using the media, for raising awareness of poor/good performance?
- Are they mobilising citizens to engage in budget processes?

# 6

## Stage 4 Audit and Assessment

### Donors

- Are donors assessing the performance impact of the budget?
- Have they met their gender policy commitments?

### Government

- Is the government attempting to assess how the budget has addressed key gender issues contained in the departmental strategy plans and integrated into the MTEF?
- Is there a framework/ process for consulting with civil society organisations for feedback?
- What are good practices/ lessons learned to inform the next stage of the process?

### Civil society – Women’s organisations

- Are women’s organisations refining their strategies on how to influence budget planning in the future?
- Are women’s organisations advocating for more gender sensitive impact assessment and better use of gender disaggregated data for the next cycle?
- How can women ensure government accountability for gender equality?

# 7

## Recommendations

### Donors

#### Stage 1

- Implement gender policy.
- Ensure coherence between gender policy and country strategy.

#### Stage 2

- Provide support for women’s empowerment programmes and national gender machinery.
- Ensure timely disbursement of funds

#### Stage 3

- Develop and use gender monitoring tools.
- Conduct regular consultation with social development advisors and gender working groups.

#### Stage 4

- Conduct gender impact assessment.
- Support GRB.

### Governments

#### Stage 1

- Invest in collection and dissemination of gender statistics and indicators.
- Gender analysis must inform budget decision making.

#### Stage 2

- Earmark funds for women specific programmes.
- Consult with the full range of women’s organisations.

#### Stage 3

- Develop gender indicators to measure performance.

#### Stage 4

- Conduct gender impact assessment.
- Conduct gender responsive budgeting.

### Civil Society

#### Stage 1

- Citizen-state engagement is key to effective gender budgeting. Be informed, participate and influence.
- Lobby parliamentarians.
- Strengthen stakeholder analysis – bring in the voices of ordinary citizens.

#### Stage 2

- Identify key points of entry at various forums, such as donor working groups, where donor commitments are discussed.
- Monitor global, regional and national aid flows.

#### Stage 3

- Produce shadow reports assessing performance of the budget.
- Use the media to mobilise citizens.

#### Stage 4

- Produce qualitative studies that show impact.
- Advocate for more gender sensitive impact assessment.
- Increase advocacy for gender responsive budgets.

# References and Endnotes

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## Endnotes

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2. Usu Mallya and GMWG-MP. 2006. A Study Report on Assessment of Public Expenditure Review Processes in Tanzania from a Gender Perspective. Pp 12-13.
3. The Monterrey document calls for mainstreaming of a gender perspective into development policies at all levels and in all sectors. The Paris Declaration - though with a narrower approach - also states that 'similar harmonization efforts (as environment) are also needed on other cross-cutting issues, such as gender equality.'
4. Aasen, 2006. 'Lessons from Evaluations of Women and Gender Equality in Development Cooperation'. Oslo: Norwegian Agency for Development Cooperation.
5. PETS is Public Expenditure Tracking Study tool that is currently being facilitated by a number of CSOs including TGNP at the district level.

6. MTEF involves casting of the budget in a medium-term context of three years, on a rolling basis instead of the traditional one-year presentation. Programme-based approach to budgeting is a method of budgeting that tries to link resources to proposed and achieved results rather presenting simply a book keeping account of the budget.
7. See details of gender budgeting experiences in Tanzania by Mary Rusimbi, *Activist Voices: Feminist Struggles for an Alternative World* (pg 74-90); also in Usu Mallya/ GMPG-MP 2006, *ibid.*
8. Some of the key Ministries/sectors which are more actively engaged in gender budgeting include: Ministries of Planning and Empowerment, Finance, Health, Water, Local government, MCDWC, and increasingly Education.
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One World Action  
Bradleys Close,  
White Lion Street,  
London N1 9PF  
United Kingdom

T: + 44 (0)20 7833 4075  
F: + 44 (0)20 7833 4102  
E: [info@oneworldaction.org](mailto:info@oneworldaction.org)  
W: [www.oneworldaction.org](http://www.oneworldaction.org)

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