



GENDER RESPONSIVE BUDGETING IN PUBLIC FINANCIAL MANAGEMENT: *Bridging the Gender Gap*

A Thematic Panel organized by UN Women India and Institute for Human Development (IHD) on 12 January 2024 at the Global Conclave 2024¹



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I. INTRODUCTION

The Global Conclave 2024, hosted by the Institute for Human Development (IHD) in partnership with NITI Aayog and the Research and Information System for Developing Countries (RIS), brought together thought leaders and experts in New Delhi to unpack the theme of 'Advancing Human Development in the Global South' in January 2024. Among the crucial discussions, a standout session organized by UN Women India and IHD focused on 'Gender Responsive Budgeting in Public Financial Management: Bridging the Gender Gap.' This panel was focussed on exploring the transformative potential of Gender Responsive Budgeting (GRB) as a tool for fostering equitable and inclusive growth. Through the exchange of experiences and strategies from across the globe, the session sought to explore the multifaceted impact of GRB on enhancing women's empowerment and achieving gender equality within the framework of public financial management.

GRB is an innovative tool that integrates gender considerations into the budgeting process and related policies. It starts with the recognition that public policies and interventions impact genders differently due to societal roles and expectations. GRB aims to create more equitable and inclusive financial measures that address and mitigate gender inequalities. Rather than proposing a separate financial plan for women, GRB involves tailoring budget allocations, expenditures, and revenues in ways that are transformative for women and work towards closing the gender gap. Numerous countries have adopted GRB in diverse formats, committing to enhance women's rights and empowerment. However, despite significant advancements in establishing GRB frameworks and tools, challenges have remained; especially in creating effective systems for monitoring, auditing, and generating

revenue. The UN Women-IHD panel on GRB offered a platform for experts from various backgrounds to share insights on GRB's implementation and discuss collaborative strategies for advancing gender equality globally.

II. BRIEF SESSION REPORT

Chair: **Mr. Dhrijesh Kumar Tiwari**, Statistical Advisor, Ministry of Women and Child Development, Government of India

Co-Chair: **Ms. Kanta Singh**, Deputy Country Representative, UN Women India

The opening remarks underscored the critical role of GRB in fostering equitable development. The Chair and Co-Chair recommended a comprehensive approach, and stressed the need for financial strategies that encompass both government expenditure and private sector involvement. They highlighted that for GRB to be truly effective, it must be an integral part of policymaking, and not just an afterthought. With the deadline for the Sustainable Development Goals looming, they also stressed on the need to invest in women's leadership to ensure an inclusive and gender equal future.

Paper Presentations

- i. *Gender Responsive Budgeting in Indonesia: Can Good Budgeting Help Achieve Gender Equality Results?*

Ms. Qurrota A'yun, Director, Populations, Women's Empowerment, Child Protection, Youth and Sport, Ministry of Planning, Government of Indonesia

Ms. Dwi Yuliawati Faiz, Deputy Representative, UN Women Indonesia

The presentation explored Indonesia's journey with GRB, starting from its inception in the year 2000 through a Presidential Instruction, to embedding gender mainstreaming into its financial planning and execution. The country adopted Performance-Based Budgeting in 2003, which was reinforced by regulatory updates in 2009 and 2012 across multiple ministries. The shift towards e-budgeting has improved transparency and accountability of ministry budgets concerning gender equality goals. However, progress in critical areas, such as women's participation in the labour force and political arenas has been slower. The discussion also examined lessons learned and ongoing efforts to refine Indonesia's gender mainstreaming strategies. It stressed on the importance of building robust institutional frameworks, solid implementation strategies, regular monitoring of budget allocations against gender indicators, and debunking myths around GRB. The paper acknowledged the challenges posed by socio-cultural norms and underlined the need for a government-wide strategy to ensure GRB remained a central focus.

ii. *Gender Budgeting: The Economic and Fiscal Rationale*

Ms. Scherie Nicol, Lead Gender Budgeting, Organisation for Economic Cooperation & Development (OECD), Paris

The paper shed light on the economic and fiscal costs of non-implementation of GRB and highlighted the potential economic and fiscal benefits of addressing gender disparities and inequities. It underscored that bringing women back to work was not the end of the road. To retain women in the workforce challenges, such as low wages, the gender pay gap,

unequal opportunities, gender-based violence, unpaid care responsibilities, must also be addressed.

The paper showed that closing these gaps could enhance economic outcomes significantly. For instance, by 2060, closing the gender gap in employment in the OECD could increase real GDP per capita by 5.7%. A more balanced distribution of female workers across occupations and sectors would further reduce gender pay gaps and boost productivity. Governments must understand that the costs of gender inequalities are high and affect economic growth and put a strain on public finances and create a conducive environment for women's greater economic participation.

Gender budgeting is a crucial tool for promoting gender equality and economic growth. Gender gaps can be closed by integrating gender considerations into budget decisions. The paper cited country case studies to illustrate how gender budgeting can effectively close gender gaps, leading to economic and fiscal gains.

iii. Gender Responsive Budgeting in Times of Crisis: A Reflection on the Ukrainian Experience

Ms. Maja Bosnic, Independent Public Finance & Gender Budgeting Expert, University of Sarajevo, Bosnia

Ms. Ermira Lubani, Regional Programme Specialist - Gender Responsive Budgeting UN Women Europe & Central Asia Regional Office, Istanbul, Turkey

This paper provides a thorough analysis of GRB amidst crisis conditions, with a specific focus on the conflict in Ukraine. It evaluates the critical role, challenges, and potential of embedding gender considerations within fiscal decisions

during times of conflict, emphasizing the adverse effects on vulnerable demographics, especially women and displaced individuals, by highlighting prevailing gender disparities.

Further, the paper examined if current GRB frameworks were able to address the needs of newly vulnerable populations through legislative and institutional processes. It found that GRB was hard to deploy in crisis situations owing to scarcity of relevant data or revisions in budgetary procedures triggered by the conflict. Utilizing a mixed-methods research approach, the paper found that in crisis situations the risk of gender-based violence, including human trafficking, increased while access to support reduced.

For example, in Ukraine, despite comprehensive legislative groundwork for GRB, the current conflict and resulting data shortage meant it could not be effectively implemented. The paper also found a shift in fiscal strategy, characterized by reduced domestic income and heightened dependency on international financial aid. Recommendations include reinforcing GRB coordination efforts, mandating the inclusion of GRB stipulations within the fiscal planning process, and mandating gender impact assessments for international financing.

iv. Making GRB an Effective Tool to Bridge the Gender Gap: Challenges and Opportunities for Bangladesh

Ms. Sayema Haque Bidisha, Professor, Department of Economics, University of Dhaka, Bangladesh

Ms. Sharmin Neelormi, Professor, Department of Economics, Jehangir Nagar University, Bangladesh

This paper examines the gains, challenges and learnings from Bangladesh's GRB experience. It shows how the government integrated gender equality targets into the Mid-Term Budgetary Framework (MTBF) and traced the ways in which this increased the gender responsiveness of government spending. Since 2010, the Government of Bangladesh (GoB) has been formulating gender budgets, expanding from 4 ministries to 44 ministries currently. However, concerns have persisted regarding how effective the efforts have been. In the context of Bangladesh, the Ministry of Finance compiles information from ministries on gender sensitivity in operating and development budgets. The RCGP (Recurrent, Capital, Gender and Poverty) model, commonly used to evaluate GRB, is employed to determine gender budget values for each ministry. However, there is ongoing debate among policymakers and academics regarding the methodology and the effectiveness of resource allocation in achieving the core objective of women's empowerment.

The paper found that while GRB aligns strategic objectives with programs and allocates resources within fiscal constraints, there has been limited shift in allocation and philosophy of public spending for women's strategic needs. There are often discrepancies in the reporting of the actual spending of GRB allocation. The paper argued that owing to these issues, significant challenges remain with respect to GRB, plausibly due to the absence of a Monitoring Results Framework for GRB allocation. The paper recommended steps for a more effective and responsive allocation of budgetary resources to achieve gender-related objectives.

- v. *Gender Responsive Budgeting in India: What has worked, where and why?*

Ms. Aasha Kapur Mehta, Chairperson, Centre for Gender Studies and Visiting Professor, IHD, New Delhi

Ms. Abhilasha Sood, Programme Analyst - Gender Responsive Budgeting, UN Women India

The paper traced the journey of gender responsive budgeting (GRB) in India since its inception. It begins with the understanding that a government budget is not just an annual financial statement, but also a statement of the state's obligations and priorities. This becomes exceptionally important today, especially in the context of Sustainable Development Goal 5. In India, GRB was first introduced in the 2005-06 budget, and the aim was to develop GRB as a crucial tool to ensure that budgets at various levels—national, state, sectoral—prioritized gender considerations, aiming for equitable outcomes. GRB strives to align the collection and allocation of public resources with the goal of advancing gender equality and empowering women, acting as a potent force for social transformation.

The paper presented an analysis of the union gender budgets and the increasing trend of allocations. It argued that while significant progress has been made in establishing GRB frameworks and budget preparation tools in India, there remains ample room for improvement in closing gender gaps and addressing challenges faced by women and girls. So far, implementation has primarily focused on resource allocation, but there is also an urgent need to strengthen monitoring and auditing of budget utilization and revenue generation. The paper explored how ministries and departments have

responded to Gender Budgeting, examining intentional budget allocations to address gender gaps. For instance, a large proportion of the allocations are in the social sector. The paper noted that the usefulness of GRB depended not only on what it includes, but also what it excludes. Through an analysis of select ministries at central and state levels, the paper identified successful aspects of Gender Budgeting in India, highlighting the crucial role that GRB can play in reducing gender inequities and improving gender outcomes.

III. CONCLUSION

The thematic panel showcased the various ways in which GRB affects gender equality outcomes and emphasized the need to strengthen, expand and solidify gender-sensitive fiscal measures and public financial management practices. This includes following a holistic approach to GRB and related policies, taking into consideration the intersecting inequalities that women face, and the role played by social norms and rules. Second, strengthening GRB beyond planning and resource allocation by creating long-lasting frameworks for monitoring and auditing expenditures. This would ensure that both short-term and long-term goals are met in a sustained manner and budgets are linked to improved gender equitable outcomes. Third, addressing the issue of reporting of GRB allocations by ministries and integrating gender impact analyses in planning and budgeting processes. Shortage or inadequate data can be a huge challenge in effective implementation of GRB therefore it is vital that a robust data collection and measurement infrastructure is set up to address this. Finally, it is imperative to ensure that GRB remains a priority even in times of crisis because while we are still learning as we go and there are several challenges

in the way, the positive impact of GRB in building a more gender-just and inclusive society is undeniable.



Thematic Panel on Gender Responsive Budgeting on 12th January 2024

SUGGESTED READINGS & RESOURCES

OECD (2023). *Joining Forces for Gender Equality: What is Holding us Back?* OECD Publishing, Paris, <https://doi.org/10.1787/67d48024-en>.

Mehta, Aasha Kapur (2020). *Union Budget 2020-21 and the Gender Budget Statement: A Critical Analysis from a Gender Perspective* (April 18, 2020). This paper has been published in two parts by *Economic and Political Weekly*, Volume 55, Issue 16, <http://www.ihdindia.org/Working%20papers/2020/IHD-CGSWP1-2020.pdf>, Available at SSRN: <https://ssrn.com/abstract=3687304> or <http://dx.doi.org/10.2139/ssrn.3687304>

UN Women (2023). *What is Gender Responsive Budgeting?* ([Explainer](#))