Financing gender equality and women's rights

Presentation by Diane Elson

High Level Global Meeting on Increasing Accountability and Development Effectiveness through Gender Responsive Planning and Budgeting

Kigali, Rwanda 26028 July 2011

What constitutes financing for gender equality?

Finance that reduces gender inequality by expanding women's

- *capabilities,*
- *access to resources and opportunities,*
- *security.*

Includes specific progammes for women and girls.

But also gender-equitable programmes in all sectors .

Not just education and health.

But also water and sanitation, energy, transport, food security, agriculture, industry, trade, care, social insurance and social protection.

Not only gender equitable expenditure, but also gender equitable revenue.

Opportunities for ensuring fiscal polices promote financing for gender equality

- Widespread experience of aspects of gender responsive budgeting and planning in developing *and* developed countries, among:
  - officials,
  - elected representatives,
  - researchers,
  - civil society organizations.
- Availability of better sex-disaggregated data:
  - for example, on poverty, time-use, employment.
- Reforms to budget and aid processes:
  - results, transparency, participation.
- Efforts to assess donor governments as well as recipient governments, in examining the contribution of aid.
- Launch of UN Women.

Challenges to ensuring fiscal polices promote financing for gender equality

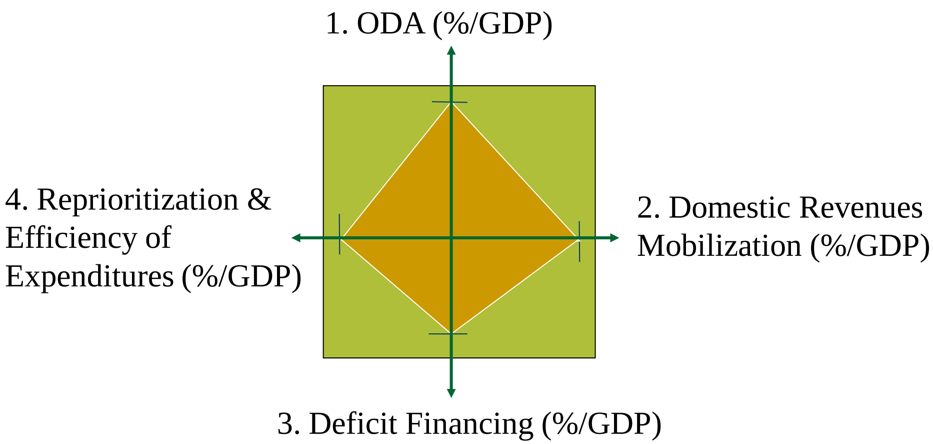
- Belief that gender equality has already been achieved , often based on confusion of formal and substantive equality.
- Belief that budget measures that do not specifically target males or females are thereby 'neutral'.
- Belief that GRB has been achieved if governments report funding allocated to women-specific programmes.
- Lack of understanding of how to obtain relevant data and construct relevant indicators.
- Lack of familiarity with how to apply gender-aware analysis of the quantitative incidence of taxes and expenditures.
- Lack of familiarity of how to apply gender-aware analysis of the quality of programmes.
- Lack of familiarity of how to cost the programmes required for gender equality.
- Focus on appropriations and lack of attention to disbursement, outputs, and impact.
- Lack of political will- lip-service to gender equality.
- A belief that its not affordable.

Determinants of gender-responsive fiscal space

Fiscal space for investment in gender equality and women's rights depends on:

- Domestic revenue mobilization (provided revenue is not earmarked for programmes that do not contribute to gender equality and women's rights, and is not collected in ways that are gender unequal)
- Reprioritization and increased efficiency of expenditures (provided that expenditures are redirected to efficient programmes to support gender equality and women's rights)
- Deficit financing (appropriate when there is underutilization of resources, as in an economic downturn)
- Overseas development assistance (provided increased ODA is not locked up in foreign exchange reserves, and is made available to efficient programmes that support gender equality and women's rights))

Fiscal Space Diamond



Expanding gender-responsive fiscal space

- Redirect some expenditure to investing in improving women's productivity in sectors which have a rapid return.
- This can be financed by domestic revenue, ODA, or deficit finance (as appropriate).
- It will increase output, and increase the tax base and increase domestic resource mobilization.
- A virtuous circle can be created.

Example: investing in productivity improvements in women's farming

- Women farmers have less access to resources than men farmers.
- FAO estimates that closing the gap could increase agricultural output in developing world, on average, by 2.5% to 4%.
- This would require investments to enable women to secure access to land, and seeds, fertilizers, credit, extension advice, and markets.
- It would increase the tax base and lead to increases in domestic revenue e.g. women would be able to buy more and would thus pay more in taxes like VAT.
- FAO estimates would reduce the number of undernourished people , on average by 12% to 17%.
- This would improve the efficiency of public expenditure in other sectors eg increase returns on investment in education; reduce malnutrition-related health expenditure.