Opening remarks by Ms Carolyn Hannan, Director United Nations Division for the Advancement of Women

Third International Helvi Sipilä Seminar Financing for gender equality and empowerment of women UN New York, 29 February 2008

Madame Moderator, Distinguished participants,

I am honoured to make opening remarks at this Third International Helvi Sipilä Seminar. I express the appreciation of the Division for the Advancement of Women for the continued support to the work of the Commission on the Status of Women through this initiative. I thank the Finnish Federation of University Women/International Federation of University Women and the Finnish UNIFEM Committee for their efforts in organizing this seminar.

I know that Minister Helvi Sipilä must be particularly appreciative of the fact that the Commission decided in its new work programme to focus on "Financing for gender equality and empowerment of women". From her extensive work on promoting gender equality and empowerment of women, within the United Nations and in other contexts, she is keenly aware of the gap between policy commitments and implementation on the ground, and of the particular constraints posed by insufficient allocation of resources. Minister Sipilä will be encouraged if the Commission can develop strong policy outcomes on this critical issue.

The decision of the Commission to focus on "Financing for gender equality and empowerment of women" was based, in part, on the need to influence the upcoming follow-up to the Monterrey Consensus on financing for development in Qatar later this year. This presents a unique opportunity for the international community to adopt concrete policy recommendations which promote greater coherence between macroeconomic policies and resource allocations and internationally agreed development goals on gender equality and the empowerment of women.

The Commission's decision was also based on the need to address the gap between global policy commitments on gender equality and implementation on the ground, identified in the ten-year review of implementation of the Beijing Platform for Action in 2005. The lack of adequate resources is clearly one critical element in this persistent gap.

In addition, the Commission recognized the need to follow-up on a number of important international commitments on financing for gender equality and empowerment of women. One chapter in the Beijing Platform for Action was focused on the "financial arrangements" that needed to be in place in order to ensure the full implementation of the recommendations adopted in 1995. These important commitments were reiterated in the

five-year review of implementation of the Plaform for Action in 2000. Commitments to gender-responsive budgeting were also made in the Monterrey Consensus in 2002.

There has been limited assessment of the fulfillment of these commitments and the extent of resource gaps. Some research does point to serious failings and challenges, indicating that resources remain insufficient to adequately support policies and programmes that promote gender equality and the empowerment of women. Although the issue of resources has been raised in all themes considered by the Commission since 1995, this is the first time the Commission has specifically focused on financing for gender equality and empowerment of women.

The World Bank's new gender equality strategy is based on the principle that gender equality is "smart economics". There is also a growing body of evidence demonstrating that gender inequality is bad economics. According to the 2007 Economic and Social Survey of Asia and the Pacific, for example, gender inequality costs the region 80 billion USD a year. The region loses up to 47 billion USD a year because of restrictions on women's access to employment, and up to 30 billion USD because of gender gaps in education.

Despite this evidence, and the many calls for gender mainstreaming in macro-economics and in budget processes, only limited efforts have been made to clearly link the policy committments on gender equality and empowerment of women with the resources needed to implement these commitments.

The promotion of gender equality and the empowerment of women does involve significant costs, particularly because of the nature and scope of existing inequalities in all parts of the world. The costing of required national level interventions should be based on locally-identified needs, within the framework of broader global goals and targets. The costs for areas where progress has been slow should be specifically assessed, such as violence against women, women, peace and security, and women's participation in decision-making.

While the costs of addressing gender inequality are significant, the means to meet these costs are available. While ODA commitments to invest in women are critical, it is essential that gender equality be funded, at least in part, through the mobilization of domestic resources, to promote ownership and sustainability.

Public finance management has not systematically addressed gender equality concerns. A range of initiatives have been undertaken in many countries to integrate gender perspectives into national budgets in order to better align policy commitments on gender equality with resource allocations. Little is known, however, of the practical impact of these efforts. Many have remained at the level of analysis and have not moved to influencing budget formulation from a gender perspective.

A recent study by OECD-DAC indicated that only \$8 billion of a total \$26 billion in bilateral aid allocated to specific sectors between 2001 and 2005 focused on activities

that have focused on gender equality as a principal or significant objective. Two-thirds of this funding was directed to the social sectors, mainly health and education, and only limited funds were allocated to the agriculture, infrastructure or finance sectors.

Since 1995, the women's movement has been confronted with considerable challenges in securing adequate financial resources to continue to promote gender equality and women's empowerment. Some funders have reduced their support for the women's movement. The shift towards budget support rather than projects and programmes can also influence the resources available for women's groups and networks.

On the more positive side, some strong supporters of gender equality, including development agencies and public foundations, are realizing that partnerships with the women's movement can, in fact, increase the impact of their funding.

Funds and foundations mobilize resources for activities promoting gender equality and the empowerment of women. Women's funds are important for resource mobilization for the women's movement. Many provide the type of very small grants which women at local level need and which larger donor organizations are reluctant or unable to provide.

Some private sector companies have also provided funding for development activities, including gender equality, and developed products and services specifically geared to women and girls.

Particular attention should also be given to the resource needs of national machineries for the advancement of women. Around the world, many such machineries are uneven in their effectiveness because they are marginalized in national government structures and hampered by a lack of resources and political support.

The on-going United Nations reform process has also revealed the underresourcing of the gender equality work, including of entities focused specifically on gender equality, the Office of the Special Adviser on Gender Issues and the Advancement of Women, the Division for the Advancement of Women, UNIFEM and INSTRAW.

The theme of this seminar aims to highlight the serious consequences of failure to adequately resource the promotion of gender equality and empowerment of women. I hope that your discussions will put forward new ideas on addressing some of the challenges raised in the report of the Secretary-General to the Commission and in the excellent discussions in the high-level roundtables and the expert panels held in the Commission earlier this week.

Thank you.