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INTERACTIVE EXPERT PANEL

Review theme: Evaluation of progress in the implementation of the agreed conclusions of CSW 52 on "Financing for gender equality and the empowerment of women"

Panel 4: Progress in financing for gender equality from the perspective of international organizations and multilateral development partners

FOLLOW THE MONEY – TRACKING FINANCING FOR GENDER EQUALITY

by

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This background paper deals with two inter-related themes:

- **Tracking bilateral donor aid focused on achieving gender equality and women’s empowerment, and**
 - **Implementing the aid effectiveness agenda to accelerate the achievement of MDG3, through the *Busan Partnership for Effective Development Co-operation*.**
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OECD DAC gender equality policy marker

When countries become members of the OECD’s Development Assistance Committee (DAC), they are required to provide the DAC with statistical data on their aid activities. Common reporting rules and standards ensure data homogeneity and comparability for all DAC member countries and the EU institutions.

Measurement of aid focused on achieving gender equality has been an integral part of the DAC’s reporting requirements for twenty years. The gender equality policy marker is the statistical instrument that captures aid in support of gender equality and women’s empowerment. The marker is one element of the Creditor Reporting System (CRS) data base on aid activities which provides publically available data on where aid goes and what purposes and policies it supports.

Data on aid activities targeting gender equality have been collected since 1991.

When reporting to the CRS, donors indicate for each individual activity whether or not it targets gender equality as one of its policy objectives. To qualify as “gender equality focused” the activity has to explicitly promote gender equality and women’s empowerment. The gender equality focus can be classified as: a **principal** objective, a **significant** objective or **not targeted**.

Principal (primary) policy objectives are those which can be identified as being fundamental in the design and impact of the activity and which are an explicit objective of the activity. They may be selected by answering the question “would the activity have been undertaken without this objective?”.

Significant (secondary) policy objectives are those which, although important, are not one of the principal reasons for undertaking the activity.

The score **not targeted** means that the activity has been screened against, but was found not be targeted to, the policy objective.

The reporting instructions include examples to *explain* the distinction between the classifications.

The purpose code for women’s equality organizations and institutions

A second tool for measuring support for gender equality is the CRS purpose code *Women’s equality organisations and institutions* in the sector category *Government and civil society* covers “support for institutions and organisations (governmental and non-governmental) working for gender equality and women’s empowerment”. This purpose code is very specific and helps identify trends in donors’ support to women civil society organisations and to women’s ministries. By definition, activities recorded under this purpose code get the score “principal” against the gender equality marker.

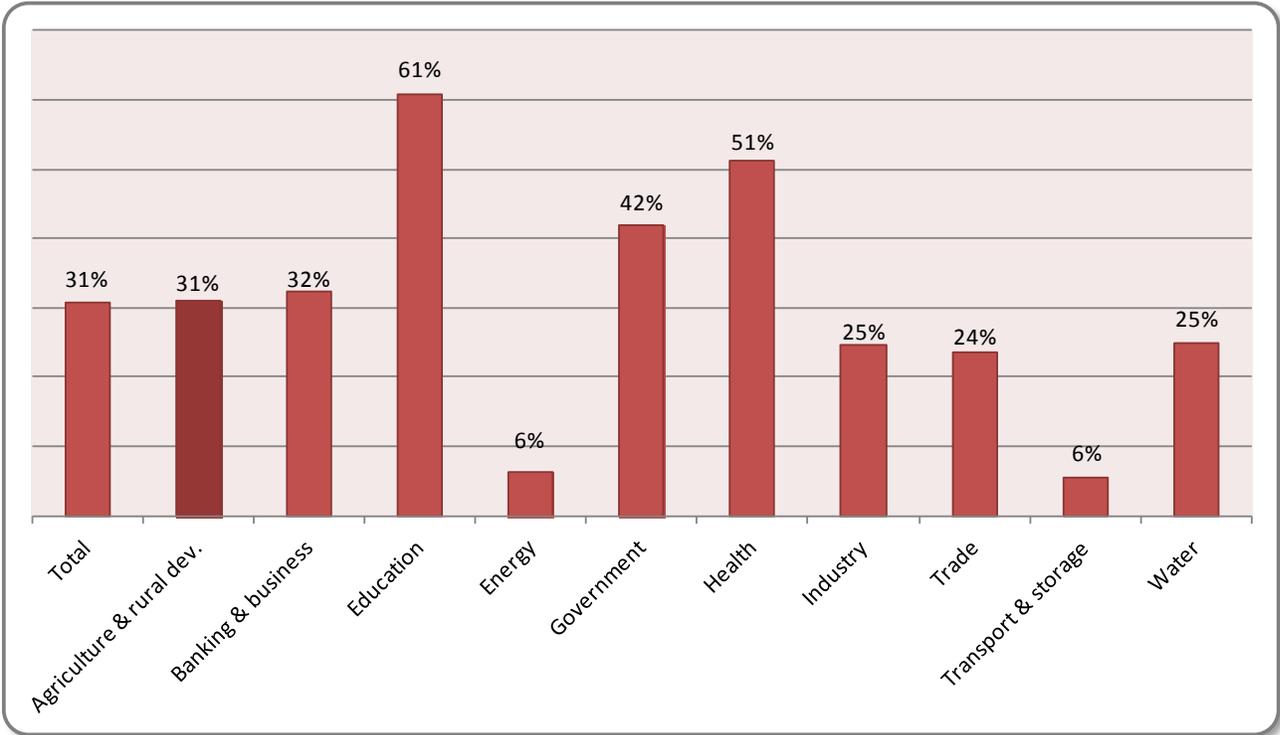
What the marker data tells us....

Data generated by the gender equality marker data is descriptive. It is a best estimate of the aid that DAC members allocate in support of gender equality. It provides a snapshot of:

- the proportion of their aid which is focused on achieving gender equality
- the sectors prioritised for gender equality focussed aid
- their investment within the individual sectors, and
- the countries they prioritise for gender equality focussed aid.

What it cannot do, is measure gender equality results or the impacts and outcomes of programmes and projects. Other tools are needed to measure not only the quality and impact of development assistance – but of all expenditure focussed on achieving gender equality and women’s empowerment.

Chart: Bilateral aid focussed on gender equality by sector (Average in 2009-10, in %)



1 What has been the impact of the OECD gender marker? How have allocations for gender equality changed? Is the data generated through the OECD gender marker being used to influence policy decisions?

The single most important impact of the gender equality marker is that tracking aid focused on gender equality has almost certainly caused the amount of bilateral aid to increase. The global bilateral donor investment in gender equality tends to track upwards, as does the focus of the individual donors.

Several key factors contribute to the success of the marker:

- It is fully integrated into the standard reporting requirements which are required of members of the OECD’s Development Assistance Committee
- Data generated by the marker provides the individual donor country with information about the sectors and countries where their gender equality focussed aid is concentrated
- The published data enables comparison between donor countries, and
- It tracks change over time.

Although the DAC has been collecting gender equality data since 1991, the biggest breakthroughs (and increases in aid focussed on gender equality) have come over the last five

years since we started publishing the data. From 2007 the Directorate has been regularly publishing *Aid in support of gender equality and women's empowerment* – a summary of aid focused on gender equality and women's empowerment for each DAC member. The latest report was produced in February 2012 for the years 2009-2010 (see <http://www.oecd.org/stats/gender>).

At present we are also publishing several in-depth studies on specific topics. The first two are on *Aid in support of women's economic empowerment* and *Aid in support of gender equality in fragile and conflict-affected states*. Others will be published soon on education and health spending and on aid in humanitarian situations.

To mark the 10th anniversary of the Beijing Conference in 2005, the DAC published *CRS Aid activities in support of gender equality, 1999-2003*. At that time:

- 9 DAC members were fully using the gender equality marker
- 20% of sector-allocable aid was screened
- gender equality aid amounted to USD\$3.1 billion per year.

Today....

- **all 24 DAC members are using the marker**
- **75%¹ of sector-allocable aid is screened**
- **gender equality aid amounts to US\$24.9 billion a year.**

As more and more members reported their data – and we published it – those who had not been reporting responded to the peer pressure to address any deficiencies in their collection and reporting of aid data. At the same time, we used the Development Assistance Committee's regular peer review process of each donor's management and implementation of their aid programmes to draw attention to the lack of reporting or the inadequacy of the data reported.

Publishing has other impacts too. As the data have been collected for some years, the reports show the “ups and downs” of the individual donor's focus over time. No donor wants to see their aid to gender equality tracking downwards or appearing to be volatile.

Publishing this data is an example of transparency in action - a key principle for achieving development effectiveness.

How the data are used

Collecting these data over time has been important. The Committee is able to use the data in peer reviews to identify gaps between political commitments and statements and individual donor financing of particular sectors or countries – or even within sectors. Two examples:

1. For technical reasons this percentage excludes the United States in 2010. The other 23 DAC members combined had screened 90% of their aid in 2010.

- A Peer Review found that a member country which had played a political leadership role promoting women’s economic empowerment, actually committed less than the average of all DAC donors to gender equality focussed aid in the economic sectors. The Review pointed this out and noted that the DAC expected to see increases in their future expenditure to match their political commitments.
- The Secretariat was also able to provide a detailed breakdown to a member on their expenditure in the economic sector so that they could identify gaps and increase expenditure. The donor wanted to prioritise women’s role in agriculture, and were surprised to find that they had reported **no** gender equality focussed investment in agricultural inputs such as machinery, equipment and seeds.

That second example illustrates the powerful **unseen impacts** of the data generated by the marker – the internal discussions and reallocations which happen within agencies when the data reveal the gaps between their political commitments and the resources which they are allocating to gender equality in specific countries or sectors. This is the **political power** of the marker.

Perhaps the most exciting example of the impact of the marker relates to one of the newest DAC members. Immediately before becoming a member, the donor screened all its aid against the gender equality marker. When they discovered how little focus they had on gender equality in their aid programmes, they immediately made gender equality a priority area in the legislation covering their aid programme.

2 Have any measures been adopted to improve the quality, systematic collection and use of data on financing gender equality?

The collection of the gender equality focus of aid is systematic.

Instructions on how to apply the gender equality policy marker are included in the CRS reporting directives (www.oecd.org/dac/stats/crs/directives) used by all donor agencies to report their aid activities. Reporting on these statistics is a requirement for membership of the OECD’s Development Assistance Committee. Common reporting rules and standards ensure data homogeneity and comparability at the international level.

Donor agencies’ statistical reporters are responsible for collecting the aid statistics and reporting to the DAC. Their task is also to ensure that reporting conforms to the Directives agreed by the DAC. Through the DAC’s Working Party on Statistics, they “own” the gender equality marker. It is their agreed instrument. This “buy-in” has been essential to its success. The OECD’s Development Co-operation Directorate is responsible for data processing, quality control and dissemination.

All 24 donors now use the marker when reporting their aid statistics. The mechanisms used to record data and the approaches to quality control vary amongst individual agencies. For instance:

- Some agencies do “spot” checks which, interestingly, can reveal under-reporting. One large donor found that a very large multi-million-Euro girls’ education programme had

been coded as education only. The focus on girls had not been captured – even though this was the **principal** focus of the programme.

- In one small donor agency the gender equality advisor is responsible for reviewing and checking every single project for its gender equality focus – probably not a good use of her time.
- And in another large donor with several delivery agencies, the agencies are required to explain why individual projects or programmes are **not targeted** towards gender equality. If not, why not?

The gender equality marker is under continuous review. The original Women in Development marker was revised in 1997 and renamed the Gender Equality marker. In 2006, both the marker definition and the Women in Development purpose code (now defined as *Support to women's equality organisations and institutions* (CRS sector code 15164)) were further refined through a consultative process involving both statistical and gender equality advisors from donor agencies. A list of Frequently Asked Questions was added to the Reporting Directives in 2006, to help improve data consistency and quality across the reporting institutions.

The additional reporting guidance on applying the marker and the definition of a new sector code for *women's equality organisations* certainly assisted agencies with meeting their reporting requirements. The sector code has produced valuable, new information on recording funding for women's organisations – both locally and globally.

What is the future of the marker and how can it be strengthened?

No major amendments are expected to the reporting directives. However, if warranted, we may consider providing guidance on applying the marker to humanitarian or emergency assistance.

An area which is under active review is the question of whether it is possible to apply the marker to programmatic approaches – and in particular, general budget support. It may be worthwhile to undertake a few country specific studies where countries receive a high proportion of direct budget support from donors to assess the proportion of the support which governments direct towards achieving gender equality and women's empowerment in specific sectors, such as health, education, roading, agriculture and business development.

Another area where data collection and use could be strengthened relates to UN and other multilateral agencies themselves. We welcome the serious effort which is underway within UN agencies to collect and harmonise gender equality data, using a model similar to the gender equality marker. **I would recommend publishing that data; and reporting it to the DAC's Creditor Reporting System.**

The World Bank, the regional development banks, a few UN agencies (including UNDP, UNICEF, UNAIDS and UNFPA) and some global funds report data to the Creditor Reporting System. However, currently only the World Bank reports to the CRS on the gender equality dimensions of its aid programme.

3 How have the focus and impact of development assistance specifically targeting gender equality and women's empowerment been strengthened in recent years?

This question goes well beyond tracking and monitoring development assistance – although tracking aid tells a story and can make a huge contribution to changing that story by shining a light on both donor and government priorities. Publishing the bilateral donor data and initiatives such as AWID's research on funding for women's rights organisations have certainly provided evidence of what needs to change.

Over the past five years, there has been increased political attention to achieving gender equality and women's empowerment. Several influential donors – notably Norway, the Netherlands and the United Kingdom – very humbly assessed their approaches, results and impacts. This has led to a reinvigoration of programmes, innovative approaches and reprioritisation of gender equality and women's empowerment.

One example is the Netherlands' fund, FLOW (Funding Leadership and Opportunities for Women) which provides relatively large grants for activities designed to:

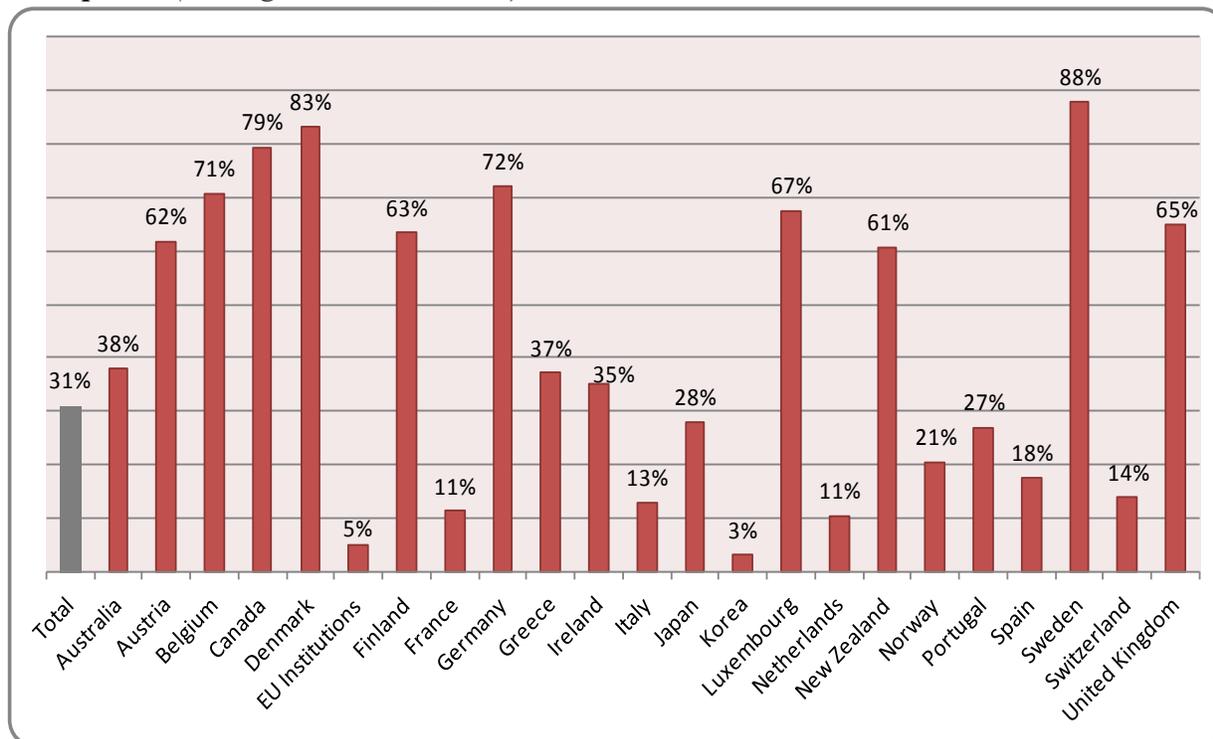
- combat violence against women and actively involve women in processes of peace, security and reconstruction
- give women a say in food security, employment and property rights and access to safe drinking water
- enable women to participate in politics and public administration.

Those of us who participated in last year's annual meetings of the World Bank were astonished and delighted to see the World Bank building festooned with banners exhorting us to – *Think Women*. But much more far-reaching than the surface decoration was the publication of the *World Development Report* on Gender Equality which captured the attention of finance ministers. Both the WDR and the commitment to prioritise gender equality in the implementation of IDA16 are major milestones.

The recent financial, food and fuel crises have led to renewed attention by donors to agriculture, food security and rural development – as has been recognised by the theme of the 2012 Commission on the Status of Women. The FAO's 2011 report on *The State of Food and Agriculture* which focussed on closing the gender gap for women in agriculture included powerful messages such as - *If women in rural areas had the same access to land, technology, financial services, education and markets as men, agricultural production could be increased and the number of hungry people reduced by 100-150 million.*

An example of data generated by the gender equality marker:

Chart: Gender equality focus by DAC donor in the sectors of agriculture and rural development (Average in 2009-10, in %)



- 4 **What are some concrete ways in which donors and national governments can more effectively track financing gender equality and demonstrate greater accountability for gender equality commitments?**
- 5 **Are there significant achievements in integrating gender perspectives in aid modalities and aid delivery mechanisms? What remaining gaps and challenges in this respect?**
- 6 **What examples of effective mutual accountability mechanisms around gender equality exist and how can they be strengthened?**

Rather than approach these questions separately, I have grouped them together because they are inter-related. They deal with elements of the aid and development effectiveness agendas which national governments, donors, UN agencies, civil society and women’s organisations have been working on together since the *Paris Declaration on Aid Effectiveness* was adopted in 2005.

The *Paris Declaration* had just one obscure and hidden reference to gender equality – but its opening paragraphs included strong references to achieving the MDGs, and to reducing poverty and inequality. Together we took full advantage of these references to use the internationally agreed principles of aid effectiveness – ownership, alignment, harmonisation, results and mutual accountability – to accelerate progress towards gender equality and the achievement of MDG3.

The *Accra Agenda for Action* in 2008 includes strong references to gender equality as a cornerstone of development effectiveness and donors and national governments agreed to base their development policies and programmes on globally agreed commitments.

The most recent, and significant, milestone on the aid effectiveness journey is the Busan High Level Forum on Aid Effectiveness, hosted by the Republic of Korea in November 2011. The Forum was a turning point for development. It was the most inclusive meeting ever held on development effectiveness, with around 3500 participants, including heads of government; the UN Secretary General; heads of UN agencies, including Madame Bachelet from UN Women; US Secretary of State, Hillary Clinton; and representatives from governments, local government, civil society, the private sector and parliamentarians.

At Busan the spotlight was on women and gender equality. This did not happen by chance. It was the result of 5 years close collaboration by the DAC's Network on Gender Equality with UN Women (previously UNIFEM) and with women's organisations.

The highlights:

- The GENDERNET and UN Women organised a technical side event on *Progress on gender equality and women's empowerment since the Paris Declaration*.
- The opening plenary session led by Hillary Clinton and Michelle Bachelet placed gender equality and women's empowerment firmly on the future agenda for aid and development effectiveness.
- However, the most significant advance for us all is the ***Busan partnership for effective development co-operation*** – the outcome agreement of the Busan Forum. In Busan, our governments and representatives made strong commitments to gender equality, women's empowerment.

THE BUSAN PARTNERSHIP FOR EFFECTIVE DEVELOPMENT CO-OPERATION, PARAGRAPH 20

We must accelerate our efforts to achieve gender equality and the empowerment of women through development programmes grounded in country priorities, recognising that gender equality and women's empowerment are critical to achieving development results. Reducing gender inequality is both an end in its own right and a prerequisite for sustainable and inclusive growth. As we redouble our efforts to implement existing commitments we will:

- a. Accelerate and deepen efforts to collect, disseminate, harmonise and make full use of data disaggregated by sex to inform policy decisions and guide investments, **ensuring in turn that public expenditures are targeted appropriately to benefit both women and men.***
- b. Integrate targets for gender equality and women's empowerment in accountability mechanisms, grounded in international and regional commitments.*
- c. Address gender equality and women's empowerment in all aspects of our development efforts, including peacebuilding and statebuilding*

Busan Joint Action Plan on Gender Equality and Development

At the same time a number of **complementary international agreements** on core development challenges were launched including the *Busan Joint Action Plan on Gender Equality and Development*. The joint action plan has been designed to help us implement the Busan commitments at country level.

What does it mean at country level?

- strengthening country capacity to collect and use data disaggregated by sex – in partnership with the Busan Action Plan on Statistics – one of the other initiatives
- strengthening accountability mechanisms, including the participation of women and women's organisations
- **appropriate targeting and tracking of public expenditures.**

Given the very short lead-in time for consultation before Busan – **only one partner country, Togo, joined the gender equality partnership.** If the partnership is to make an impact, we need more national governments to join. **The test for us all is partnership and implementation on the ground – not just talking about it.**

Why was gender equality in the spotlight in Busan?

The key reason there were so many breakthroughs in Busan is that **at last we had the evidence.**

The most important element of the *Paris Declaration on Aid Effectiveness* (2005) was a monitoring survey of 12 indicators of aid effectiveness. Surveys of progress were conducted in 2006, 2008 and 2011.

Gender equality module

In 2011, a gender equality module was included in the survey. Of the 78 countries which participated in the 2011 survey, **24 countries** chose to use the module – a clear demonstration of interest; and, the necessary evidential basis to argue for the full integration of gender equality dimensions in any future aid and development effectiveness monitoring arrangements.

The 3 indicators used during the 2011 Survey assessed three principles of the Paris Declaration:

- **ownership** of gender equality
- **managing for gender equality results**, and
- **mutual accountability** for gender equality.

The key lessons which we learned from the survey were that:

- half of the participant countries had identified gender equality objectives – but **few have allocated a budget** for achieving these – even when integrated into their national development strategies
- half of the countries were implementing gender responsive budgeting in some way

- whilst donors align to partner countries' gender equality priorities, **they do not allocate sufficient resources** to implement their commitments on gender equality
- data disaggregated by sex are very rarely collected systematically and are not necessarily used in decision making
- **when sex disaggregated data are used as a basis for decision making, this leads to an increased focus on and budget allocations for gender equality and women's empowerment.** This is a critical finding.
- donors tend to use data disaggregated by sex, when available, but their support for collecting sex-disaggregated data is limited
- we need to be more systematic about addressing gender equality commitments in policy dialogue and mutual assessment reviews at the country level.

There are two clear messages here:

- **Donors and governments need to ensure that resources for gender equality match their policy objectives and commitments,** and
- **When you track results and resources – money follows.**

We need data disaggregated by sex; and we need to know what we are spending on our work on gender equality and women's empowerment. Knowing those two things, can lead to increases in funding and more accurate targeting.

It is critical that future mechanisms to measure and monitor development effectiveness at both the global and country level address gender equality and women's empowerment. The future monitoring arrangements have to be agreed to by the end of June. We all have a role to play in ensuring that gender equality dimensions are fully integrated into the key monitoring indicators and future review processes. Tracking donor and national government spending would be a good place to start.

Implementation at national level

Two key areas which need to be strengthened at country level to make the gender equality commitments of the Busan Global Partnership a reality are:

- countries' capacity to collect, analyse and disseminate data disaggregated by sex, and
- more systematically addressing gender equality dimensions throughout the public financial management cycle.

Both are needed to achieve impacts and results. UN Women has a critical role to play in each of these. UN Women, and formerly UNIFEM, have worked in many countries to strengthen the gender responsiveness of public financial management systems at country level. Early work on gender budgeting too often focussed on looking backward by analysing the gender equality focus of past budgets. As those of us who have worked in national systems know, what is really important (and difficult to do) is to influence forward spending plans so that they are accurately targeted to benefit both women and men.

Ministries of Women's Affairs need to become better informed and more engaged in across-government processes. Even though it seems daunting at first, I know from my own experience at the New Zealand Ministry of Women's Affairs that this is possible - even with limited resources. There are champions in other government departments who want to work with you and who need your support.

Tracking, monitoring and targeting expenditure for gender equality can be done. A number of countries have already demonstrated that. No matter what our role is, we all need to become more courageous about holding our governments to account.

Several years ago I asked a senior Finance official in Zambia whether he could have told me what the Government spent on gender equality in each of the priority areas of its national development plan. His answer: **"Yes – but nobody ever asked me!"**

RECOMMENDATIONS:

- **Multilateral institutions, including UN agencies and the multilateral development banks standardise their approach to recording gender equality focussed assistance; publish the data; and report their data to the DAC's Creditor Reporting System.**
- **The inclusion of gender equality and women's rights dimensions in the future global and local targets and indicators for monitoring the implementation of the Busan Global Partnership for Development Effectiveness.**

<http://www.oecd.org/dac/gender>