

# **Improving Gender Targeting of Public Expenditures: Analytical Tools for Policy**

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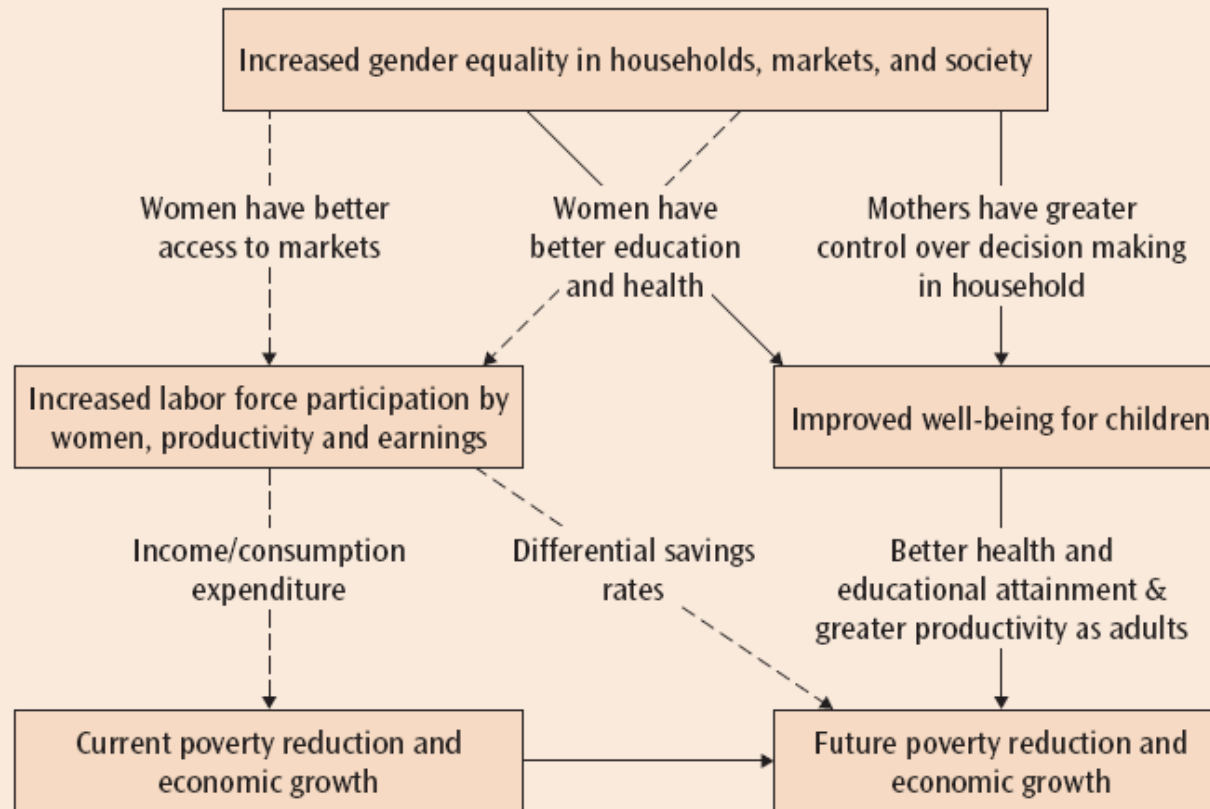
# BNPP-funded GRB Program Objectives

- Introduce, explain and clarify the basic principles, goals and concepts of GRB
- Improve capacity to analyze the gender impacts of public expenditures and fiscal policies
- Enhance understanding of the importance of GRB for achieving gender-aware policies
- Present international experiences with GRB
- Demonstrate that GRB can contribute to transparency and accountability

# Rationale for addressing gender issues in National Budgets

- A country's development and gender goals cannot be accomplished without adequate public expenditure management
- This requires informed policy decisions on different categories of expenditures:
  - Cost of stand-alone gender activities
  - Cost of mainstreaming gender equality
  - Cost of gender equality in other sectors
- Each of these decisions can benefit from improved understanding & application of GRB

# The link between gender equality, poverty reduction, and growth



Source: Global Monitoring Report, 2007

# **GRB helps to improve gender targeting of public expenditure**

- Objective of GRB: to reduce gender inequalities through the budget, one of the most important economic policy instruments
- By promoting and addressing gender equalities, GRB contributes to increased growth and poverty reduction, improves the impact of economic policies and therefore maximizes the impact of public expenditures

# Gender-Responsive Budgeting: What is it?

- An approach to mainstream the gender dimension into all stages of the budget cycle
- The analysis of the impact of public expenditures or methods of raising revenues on women and girls as compared to men and boys
- Comprises the making of propositions for a reprioritization of expenditures and revenues which takes into account the different needs and priorities of women and men
- Can also incorporate other dimensions and categories of equality such as age or place of residence (urban/rural, different provinces)

# Gender-Responsive Budgeting: What it is not!

- Does not propose spending equal amounts on women and men; rather, asks whether the spending is adequate to address women's and men's needs
- Does not result in a separate budget for women but rather in a budget that is responsive to the needs of both sexes, women and men

# There are many tools for GRB

## Gender Responsive Budget

### Planning and Programming

- Gender-Aware Policy Appraisal and its link to the budget
- Incorporation of Gender in Macroeconomic Models
- Costing of interventions
- Linking GRB with Program Based Budgeting

## Gender Responsive Budget

### Monitoring and Reporting

- Gender-Disaggregated Public Expenditure Benefit Incidence Analysis
- Gender-Disaggregated Beneficiary Assessment
- Gender Budget Statement/Gender Reports
- Gender-Disaggregated Public Expenditure Tracking Surveys
- Gender-Aware Citizen Report Cards

# For WB, PERs are main entry points for GRB

- As tools to increase efficiency of public spending to ensure it is appropriately allocated to poverty reduction, **PERs are important tools to help maintain fiscal discipline, promote strategic priorities, and deliver value for money**
- PERs can focus on entire or sector budgets
- **A sector PER enables you to examine sectoral strategies**
- PEFA (public expenditure and financial accountability framework) is another tool
- All PE tools need rely on a decent PFM system

# Gender-Disaggregated Benefit Incidence Analysis (BIA) is the best analytical method

- **Objective**
  - To analyze the extent to which men and women, girls and boys, benefit from public expenditures on specific services
- **Key question it addresses**
  - How are the benefits of public spending distributed among women and men, girls and boys?
- **Involves a 3-step process**
  - **Identify users** of public services to estimate benefits
  - **Calculate** the unit cost
  - **Analyze** the distribution of benefits from the services to users across income quintiles, by gender, age, location (rural/urban), etc.
- **Actors**
  - Ministry of Finance: Planning, Budget, Int. Aid Depts.
  - Research institutes/individual researchers
  - Bi & Multilateral donors, International Dev. agencies

# Data are important; sex disaggregation is key

Sex-disaggregated indicators track differences between men and women, e.g.,

- Outcomes for females and males (e.g., primary, secondary, and tertiary enrollment and completion rates for males and females)
- Impact of agriculture sector subsidies on poor households, and more specifically on women and men farmers

Data Sources can include: household surveys, information on land holdings, land cultivation, agriculture input expenditures, other socio-economic variables.

Start with what you have:

- You need such data to do good GRB and make the business case for public spending.
- But, no need to wait for perfect data, start with what you have

# What the data showed on fertilizer use by female farmers – in Rwanda

- Female farmers have only about one-third of the fertilizer intensity that male farmers have.
  - Female farmers, on average, use 3.8 kg per ha. compared to 10 kg of fertilizers per hectare by male farmers.
- Gender differences are more dramatic at lower income levels (bottom 60 percent). Male-female gaps in fertilizer use at low income levels range from 55% (poorest quintile) to 77% (3rd quintile).
- In contrast to tea sector, the average fertilizer intensity for all female farmers varies substantially across income quintiles. It varies from about 1.9 kg for poorer farmers to 6.0 kg per ha for the richer —male farmers experienced similar differences in fertilizer intensity across income quintiles.

# Rwanda - Results from Average Incidence Ratios

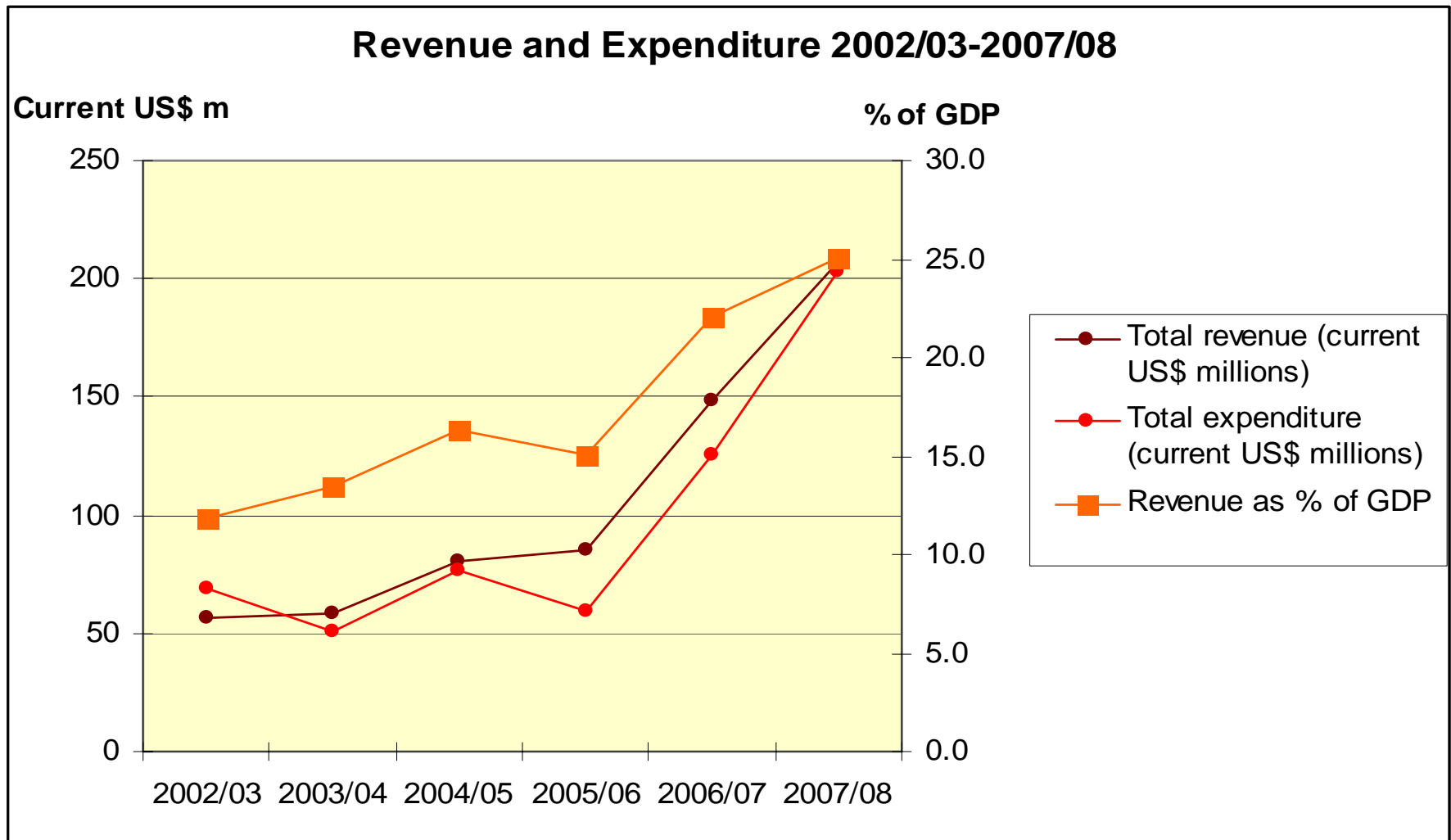
**Table: Allocation of Benefits by Quintile**

**Scenario : subsidy is 40% of retail price**

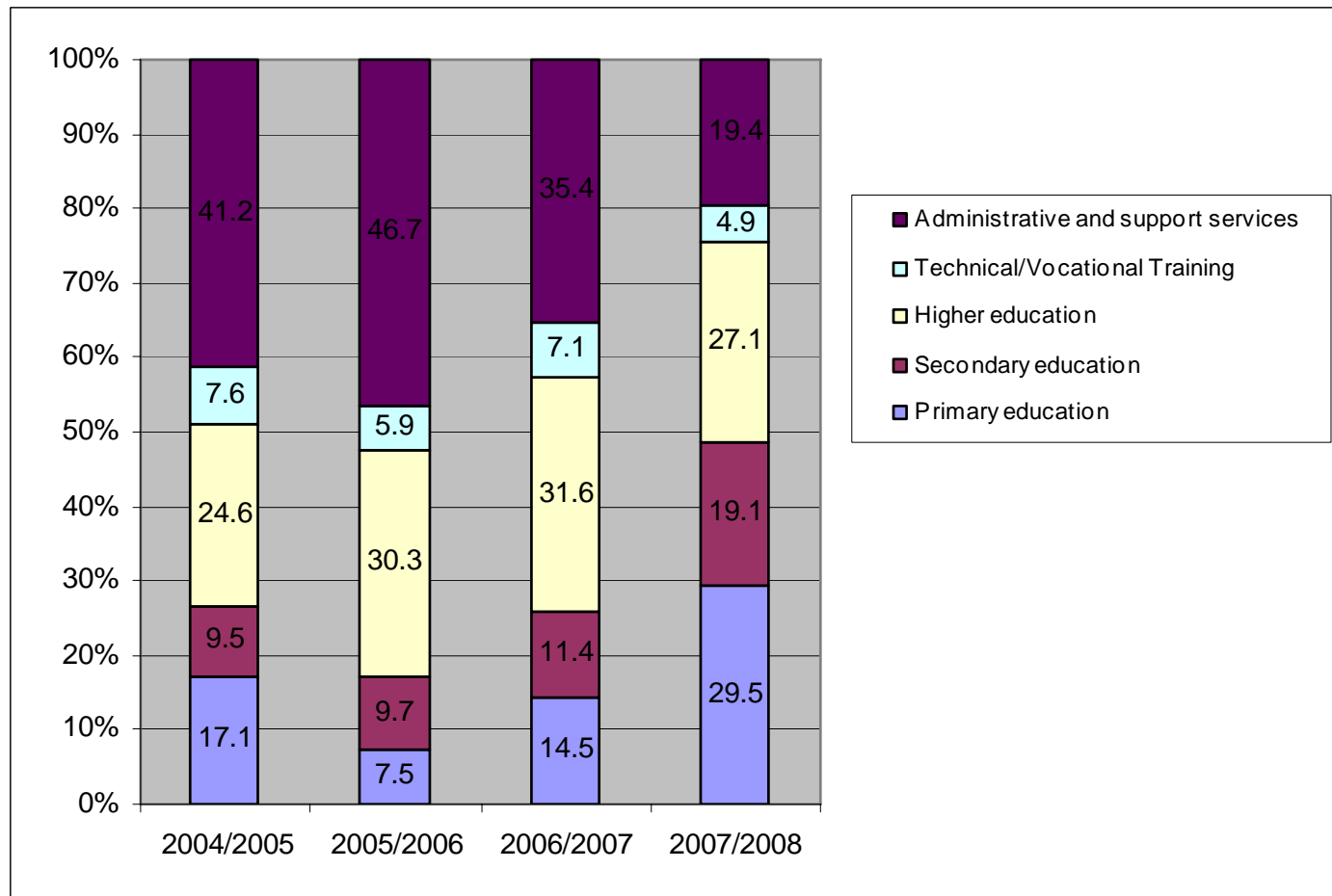
	Total Subsidy	Share in total subsidy	Average incidence ratio	Average incidence ratio (female)	Average incidence ratio (male)
Poorest	52,166.36	0.07	0.36	0.13	0.35
2	66,013.64	0.09	0.45	0.18	0.82
3	153,736.70	0.21	1.05	0.23	1.26
4	174,716.30	0.24	1.20	0.89	1.97
Richest	280,846.30	0.39	1.93	0.90	2.43
Total	727,479.30	0.20	1.00	0.41	1.28

Note: Subsidy distribution (in thousands RWF). Average incidence ratios for female and male farmers are calculated relative to overall average subsidy benefit.

# Liberia: What the data showed on Revenue and Expenditure Trends



# Share of Current Expenditure by Level of Education - Liberia

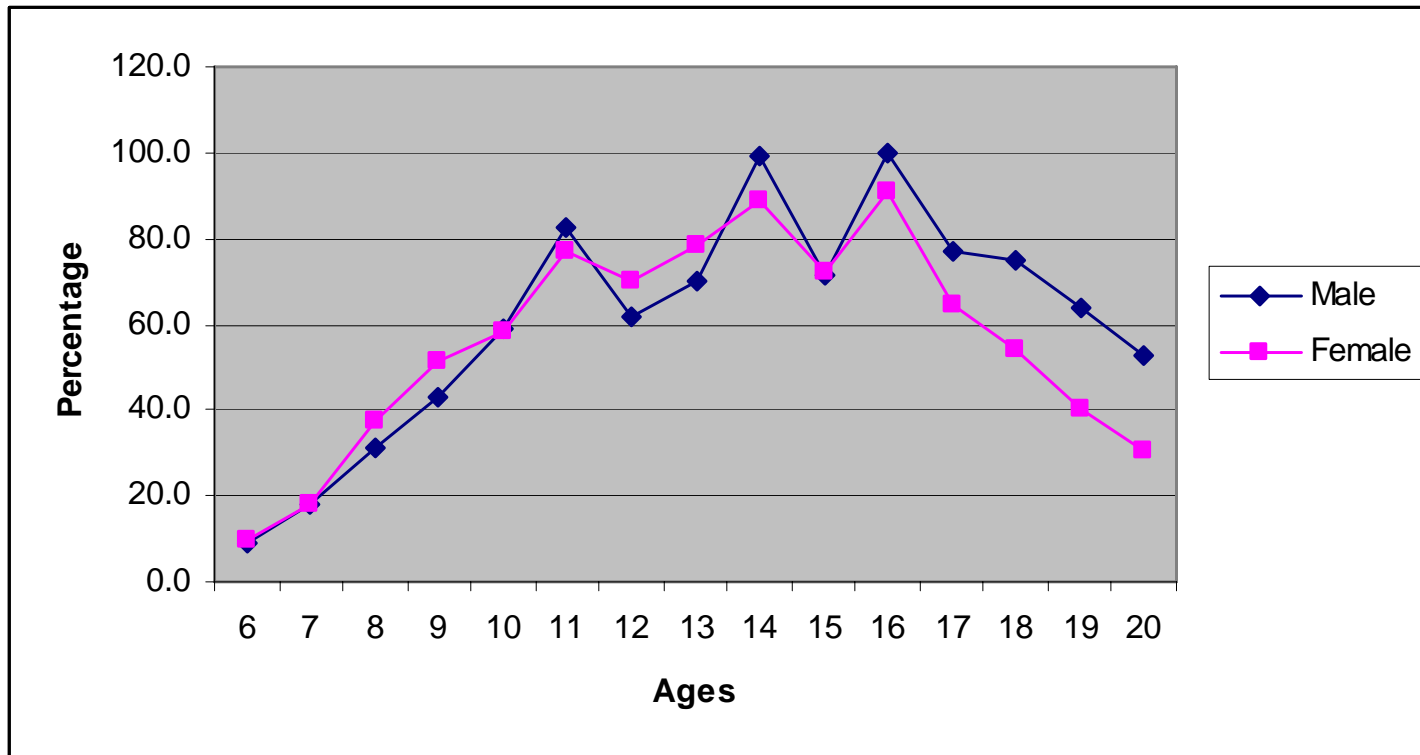


# Unit cost estimates for education by level, 2006/2007

	<b>Primary Education</b>	<b>Secondary education</b>	<b>Higher Education</b>	<b>Overall</b>
Education current expenditure (in US\$ millions)	3.3	3	5.3	11.7
Number of students in public schools	482470	35322	19111	536903
Unit cost (in \$US)	6.9	84.5	279.7	21.8
Unit cost as a % of per capita GDP	4	49.3	163	12.7
Ratio of unit cost to primary	1	12.2	40.3	-
<i>CWIQ, 2007</i>				

# Gender Disparities in Education

## Enrollment Rates by Age and Gender



# Disparity in Education Consumption

	Primary Education	Secondary education	Higher Education	Overall
Education current expenditure (in US\$ millions)	3.3	3	5.3	11.7
% students male	51	56	72	
% students female	49	44	28	
Total expenditure male	1.68	1.68	3.82	7.18
Total expenditure female	1.62	1.32	1.48	4.42
Total share edu expenditure: male				61.9
Total share edu expenditure: female				38.1
CWIQ, 2007, MOF Annual Fiscal Report, 2006/07.				

# Policy Implications

## 1. Agriculture subsidies

- Cash transfers to women (but not scrapping the entire program completely, even though it is regressive)
- Target vouchers to the poorest groups, esp. women

## 2. Education sector spending

- Review education policy
- Program to address drop-out rates, affirmative action, teacher training, etc, could help to reduce gender disparities in educational access.

# Key messages on GRB

- Think strategically – and link up with the key players – esp. MoF
- Adapt language to align with MoF
- There is no blueprint about how to do GRB
  - GRB policy or strategy is usually the starting point for implementation challenges to emerge. Questions are  
What is the **institutional framework**?
  - What **data** do you have to make it work?
  - How much \$\$ will government put into it to ensure **sustainability**, Is it a government program (funded by govt) or project (funded by donors)?
  - How do you ensure **ownership** of the GRB program by government?
- However, there is an urgency about this - MDG 3 is far off track, gender needs are not being addressed, especially in education, health, agriculture – these three sectors are key critical