

Integrating Gender into Public Budgets: *The Case of Cambodia*

*World Bank Workshop on Economic Policy and
Gender Capacity Building in East Asia and the Pacific*
Bangkok, October 25-26, 2005

Presented by
Cheryl Urashima
Gender Budgeting Consultant to MEF and SNEC
World Bank-MoWA-UNIFEM Project on Gender-responsive Budgeting



The World Bank



Ministry of
Women's Affairs



Supreme National
Economic Council





Public Financial Management in Cambodia

- Existing budget system
 - Line item budgeting
 - MTEF not yet operationalized
 - Moving towards program budgeting in priority ministries
- Existing expenditure management system
 - Primarily cash disbursements
 - Many donor-funded projects managed by individual line ministries
- Existing resource mobilization
 - Low tax base
 - Heavily dependent on external assistance




The Vision

- *PFM Reform Program:* Installing much higher standards for:
 - management and accountability for *all* government resources, and
 - effectiveness and efficiency in the use of resources in implementing the National Strategic Development Plan
- *Gender-responsive budgeting initiative:* Ensuring that gender concerns are addressed in the formulation and execution of plans and budgets



A Gender-responsive National Budget should:

- Be ***results-oriented***
- Focus on ***mainstreaming gender*** into policies, plans, programs and budgets
- Reflect the ***government's commitments*** to international conventions (e.g., CEDAW, Beijing PFA)
- ***Recognize and equally value the different contributions*** of women and men, boys and girls to national development
- Indicate whether women's and men's ***needs, interests and priorities are included*** in the budget

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- Promote ***more effective use of resources*** to achieve both gender equality and human development
 - Stress ***reprioritization*** rather than an increase in overall government expenditure
 - Enable ***monitoring of the impact*** of expenditures and revenue from a gender perspective
 - Promote the ***active involvement and participation*** of women and men in budget formulation and monitoring



Opportunities to integrate gender-responsive measures into plans and budgets

- *Planning Framework:* National Strategic Development Plan 2006-2010 (NSDP)
 - SEDP, PRSP, CMDGs
- *Mechanisms:*
 - MoWA-MEF collaboration
 - Technical Working Group on Gender (TWG-G)
 - Gender Mainstreaming Action Groups
- *Policies and Procedures:* Public Financial Management Reform Program



The Four Platforms of the PFM Reform Program

The PFM reform program is build upon four sequenced and prioritized platforms:

- 1. A more credible budget*
- 2. Effective financial accountability*
- 3. RGC policy agenda becomes fully affordable through policy-budget linkage*
- 4. RGC managers become fully accountable for program performance*



Four Stages of Implementation

Stage One: short-term action plans focused on achieving Platform One

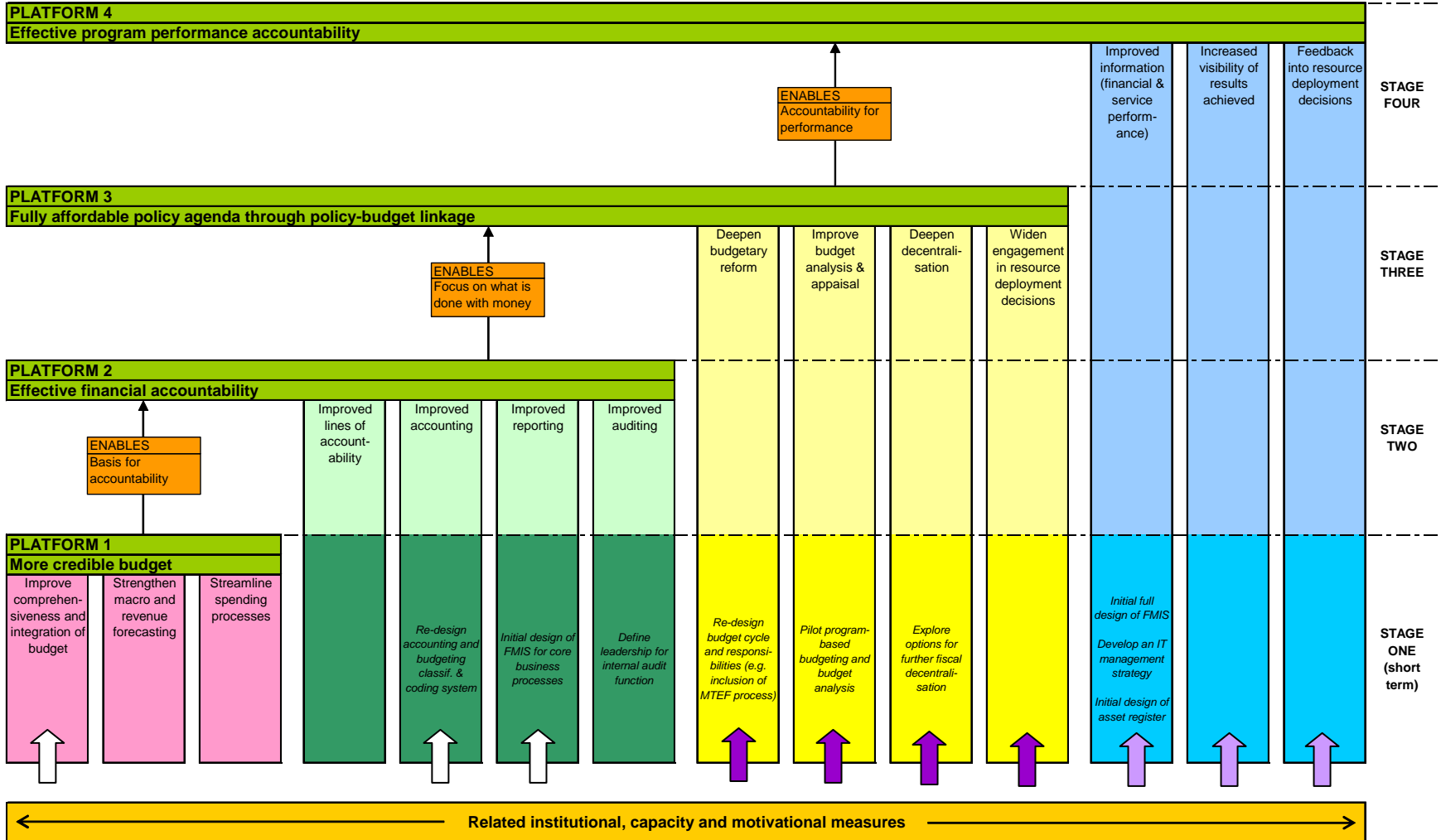
Stages Two and Three: medium-term actions planned for when Platform One objectives are within sight

Stage Four: long-term actions for achieving the overall vision



***Integrating gender into
the PFM reform program***

Entry points for integrating gender into the PFM reform program





Priorities for integrating gender into the PFM reform program

- Integrating gender into PFM **policies and procedures**, particularly related to the shift from line item to program budgeting
- Program and financial management **information systems** able to provide gender-disaggregated data
- Gender equity in MEF **staffing and management**

Platform 1:

A more credible budget

Platform Pillars	GRB Enhancements
Improved comprehensive-ness and integration of budget (formulation and execution)	<ul style="list-style-type: none">■ <i>Flag gender-responsive programs within the integrated budget</i>■ <i>Include a statement on GRB in budget management law and related circulars</i>■ <i>Include gender equity in criteria for local capital investment projects</i>
Improved realism and sustainability of the budget	<ul style="list-style-type: none">■ <i>Assess impact of resource mobilization policies on women and men</i>■ <i>Give continued priority to investment in human development</i>
Streamline spending processes	n/a (essential for all spending processes)

Platform 2:

Effective financial accountability

Platform Pillars	GRB Enhancements
Improved lines of accountability Clarify roles, functions and responsibilities between levels of government	n/a
Improved accounting Consolidation of accounting data, improved reconciliation procedures	<ul style="list-style-type: none">■ <i>Enable gender-disaggregated public expenditure incidence analysis through the accounting and budget classification system. This should flow from MRF-based program plans (Platform 3)</i>
Improved reporting Improvements in reporting of performance against budget, use of tracking studies	<ul style="list-style-type: none">■ <i>Consider how CMDG indicators can be integrated into the FMIS</i>■ <i>Integrate capacity to conduct poverty and gender-disaggregated public expenditure incidence analysis into PETS</i>
Improved auditing Deepening capacity for both internal and external audit	<ul style="list-style-type: none">■ <i>Include GRB principles and tools in the capacity development program for audit staff</i>

Platform 3:

Affordable policy-budget linkage

Platform Pillars	GRB Enhancements
<p>Deepen budgetary reform MTEF, multi-year budgeting, link mobilization and deployment of resources to policy priorities including poverty reduction strategies</p>	<ul style="list-style-type: none">■ <i>Require identification and consideration of gender concerns in the preparation and presentation of budgets.</i>■ <i>Develop guidelines for integrating gender into the MTEF preparation and review processes.</i>■ <i>Integrate gender into the Managing for Results (MFR) framework.</i>■ <i>Develop checklists for integrating gender into budget formulation and monitoring.</i>
<p>Improve budget analysis and appraisal Costing and appraisal of spending proposals, expenditure reviews, update spending norms</p>	<ul style="list-style-type: none">■ <i>Improve needs assessment and gender analysis processes within line ministries.</i>■ <i>Introduce gender-aware policy appraisal into budget analysis and appraisal.</i>■ <i>As feasible, incorporate gender-disaggregated public expenditure incidence analysis (combined with benefit incidence analysis by income group).</i>

Platform 3:

Affordable policy-budget linkage (cont'd)

Platform Pillars	GRB Enhancements
Improve budget analysis and appraisal (cont'd)	<ul style="list-style-type: none">■ <i>Allocate resources to assist line ministries to carry out the necessary analysis to effectively mainstream gender into their programs and budgets.</i>■ <i>Monitor the extent to which donor programs and procedures are analyzing and responding to gender inequalities.</i>■ <i>Commission research as necessary to better understand the gender implications of budgetary policies.</i>■ <i>Consider gender-disaggregated analysis of the impact of the budget on time use</i>

Platform 3:

Affordable policy-budget linkage (cont'd)

Platform Pillars	GRB Enhancements
<p>Deepen decentralization De-concentration of budgets and accountability, improved fiscal decentralization</p>	<ul style="list-style-type: none">■ <i>Develop options for introducing gender-responsive budgeting analysis into fiscal decentralization</i>■ <i>Pilot gender disaggregated public expenditure beneficiary assessments at the commune level to determine the extent to which commune councils are responding to the interests and needs of both men and women.</i>■ <i>Pilot gender-disaggregated public expenditure incidence analysis of commune-level expenditures combined with benefit incidence analysis by income group</i>■ <i>Consider gender implications in formulation of commune own-source revenue strategies</i>

Platform 3:

Affordable policy-budget linkage (cont'd)

Platform Pillars	GRB Enhancements
<p>Widen engagement in resource deployment decisions</p> <p>Create improved opportunities for politicians and civil society to have visibility of and contribute to resource allocation decisions</p>	<ul style="list-style-type: none">■ <i>Conduct public expenditure beneficiary assessments at the national level in partnership with civil society</i>■ <i>Prepare gender budget statements and organize open forums on these statements.</i>■ <i>Create improved opportunities for women to contribute to resource allocation decisions, particularly elected officials and women in civil society.</i>

Platform 4:

Accountability for performance

Platform Pillars	GRB Enhancements
<p>Improved information about both financial and service performance (FMIS) Computerized FMIS, integrated data on performance and budget implementation, move to accrual accounting to improve match between resources consumed and results achieved</p>	<ul style="list-style-type: none">■ <i>Consider how information to allow analysis of gender equity in the distribution of resources might be captured in the FMIS.</i>■ <i>Include capacity to capture information of gender-responsive programs in the design of the FMIS.</i>■ <i>Ensure that public service and performance statistics are sex-disaggregated.</i>■ <i>Link national statistical system and program monitoring systems to program-based accounting system.</i>
<p>Increased visibility of results achieved Production of annual reports on budget and service performance, consultations with public and politicians about results achieved</p>	<ul style="list-style-type: none">■ <i>Integrate gender into reports on the effectiveness of service delivery using gender-responsive budget analysis tools.</i>■ <i>Identify clear and consistent indicators and targets for monitoring gender equality in reporting framework (e.g., CMDGs).</i>

Platform 4:

Accountability for performance (cont'd)

Platform Pillars	GRB Enhancements
Increased visibility of results achieved (cont'd)	<ul style="list-style-type: none">■ <i>Enable equitable participation of women in consultations at all levels on results achieved.</i>
Feedback into resource deployment decisions Review of results achieved and establishment of procedures to reflect on lessons and adjust future resource deployment decisions accordingly	<ul style="list-style-type: none">■ <i>Enable equitable participation of women at all levels in reviewing results and providing inputs on future resource deployment decisions including engagement of women elected officials and civil society.</i>

Related institutional, capacity and motivational measures

Components	GRB Enhancements
Capacity development measures	<ul style="list-style-type: none">■ <i>Integrate sessions on gender-responsive budgeting into EFI courses.</i>■ <i>Targeted training on GRB for budget department staff</i>■ <i>Include measures to enhance equal employment opportunities for women in MEF including affirmative action in selection of core cadre and in participation in training, capacity development and study tours (Assessment of benefits of equal opportunities in service delivery).</i>
Motivational measures within MEF	<ul style="list-style-type: none">■ <i>Include measures to enhance gender equality in the distribution of motivational measures in MEF, especially merit-based pay initiatives.</i>■ <i>Assess the level of interest and cost for providing family-friendly motivational measures which would ease the burden of working parents in MEF.</i>

Related institutional, capacity and motivational measures (cont'd)

Component	GRB Enhancements
Motivational measures within other ministries	<ul style="list-style-type: none">■ <i>Encourage other ministries to adopt measures to increase the number and role of women in implementing reform efforts in de-concentrated financial management process.</i>
Integration of functions within MEF	<ul style="list-style-type: none">■ <i>Clarify responsibility for developing and monitoring the implementation of gender-responsive actions within MEF. Consider establishing an MEF Gender Mainstreaming Action Group (GMAG) within MEF.</i>

Initial activities



Capacity Building

- Seminars for MEF, SNEC and MoWA staff:
 - Introduction to Basic Gender Concepts
 - Overview of gender concerns in Cambodia
 - Introduction to Gender-responsive Budgeting (Part 1): rationale, composition and criteria
 - Introduction to Gender-responsive Budgeting (Part 2): approaches and tools
 - PFM Reform from a gender perspective
 - Integrating gender into the MTEF and PAPs



Training on GRB (cont'd)

- Study tour to the Philippines
- National workshops: MoWA, MEF, line ministries, NGOs

Policy and Guidelines

- Guidelines for integrating gender into the MTEF
- Integrating gender into the NSDP; joint circular regarding allocation of funding for gender-responsive measures in the NSDP



Research

- Safe Motherhood
- Women in the civil service
- Child Care: supply, demand, cost

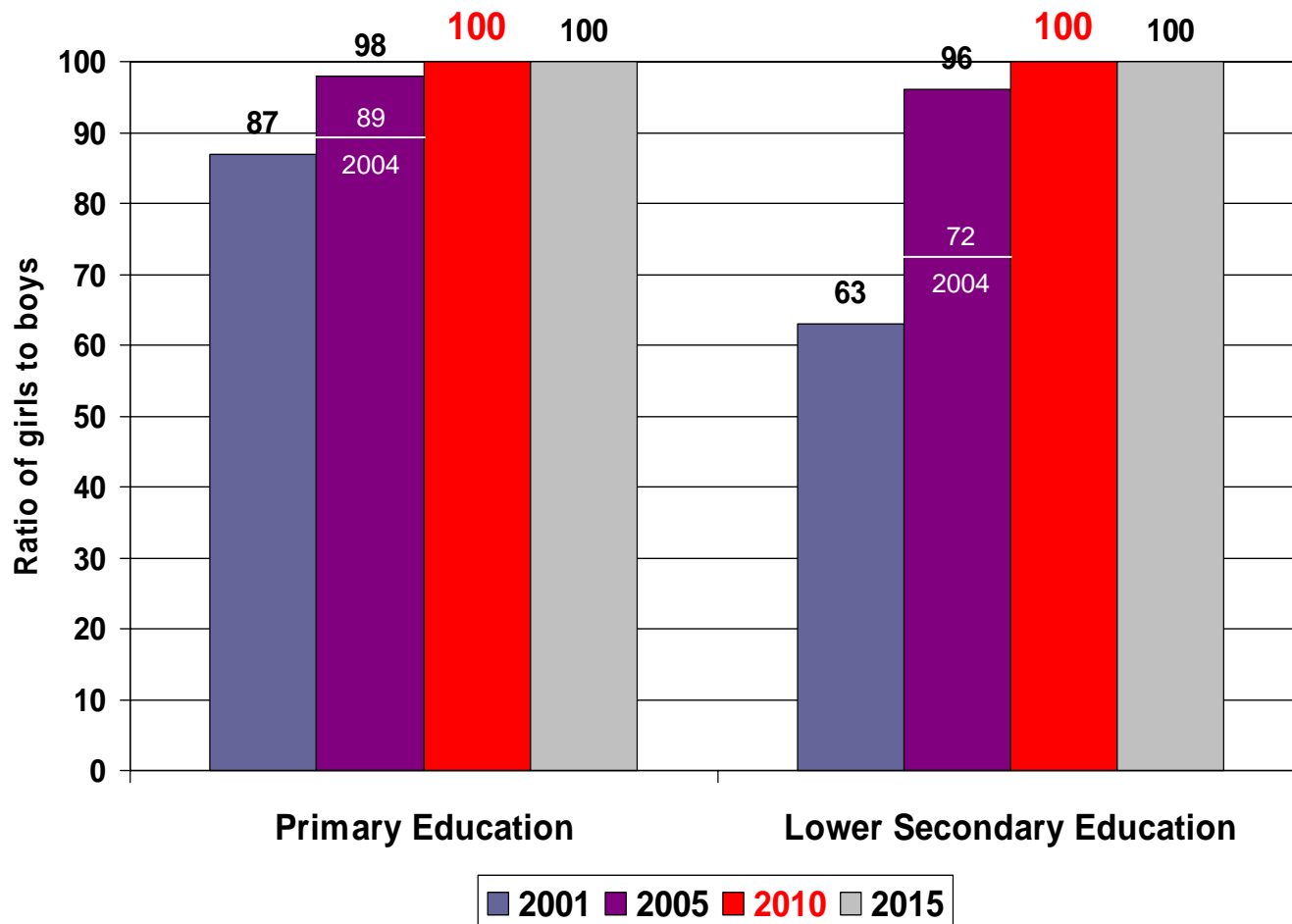


Linking public expenditures to the CMDGs

- CMDGs 4 and 5 (child and maternal mortality)
 - No link between sectoral plan and budget
 - Impossible to track expenditures towards achieving these goals
 - MEF/MoH retreat scheduled for next month
- CMDG 2: Eliminate gender disparities in nine-years basic education
 - Gender-disaggregated benefit incidence analysis
- CMDG 3: Eliminate gender disparities in literacy rates
 - Costing exercise

Eliminate gender disparities in nine-year basic education

(CMDG 3, Overall target 4)



Indicators:
Ratio of girls to boys in primary (2.9) and lower secondary education (2.10)

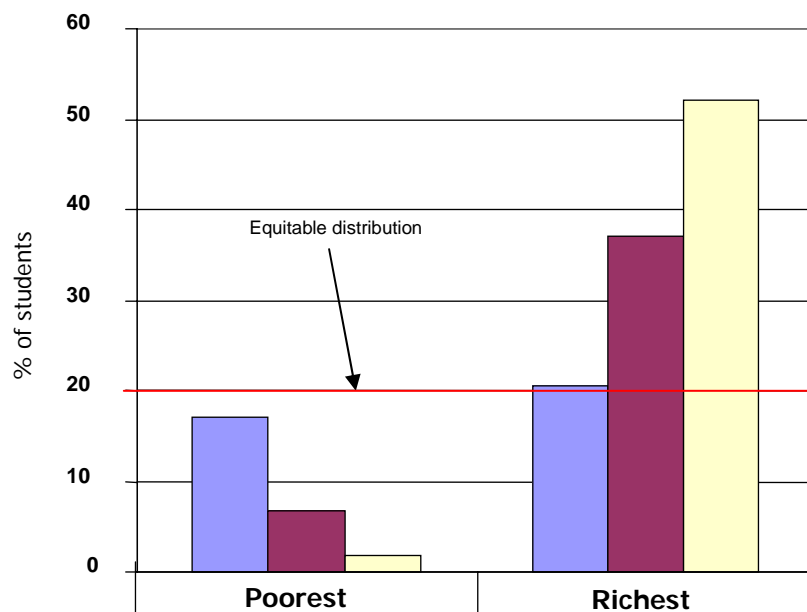


Gender-disaggregated benefit incidence analysis of the education PAP:

- Approximately 46% of the 2004 budget for education programs benefited girls – relatively high because most of the budget goes towards primary education where there is a fairly high level of gender equity

Social inequities also a concern

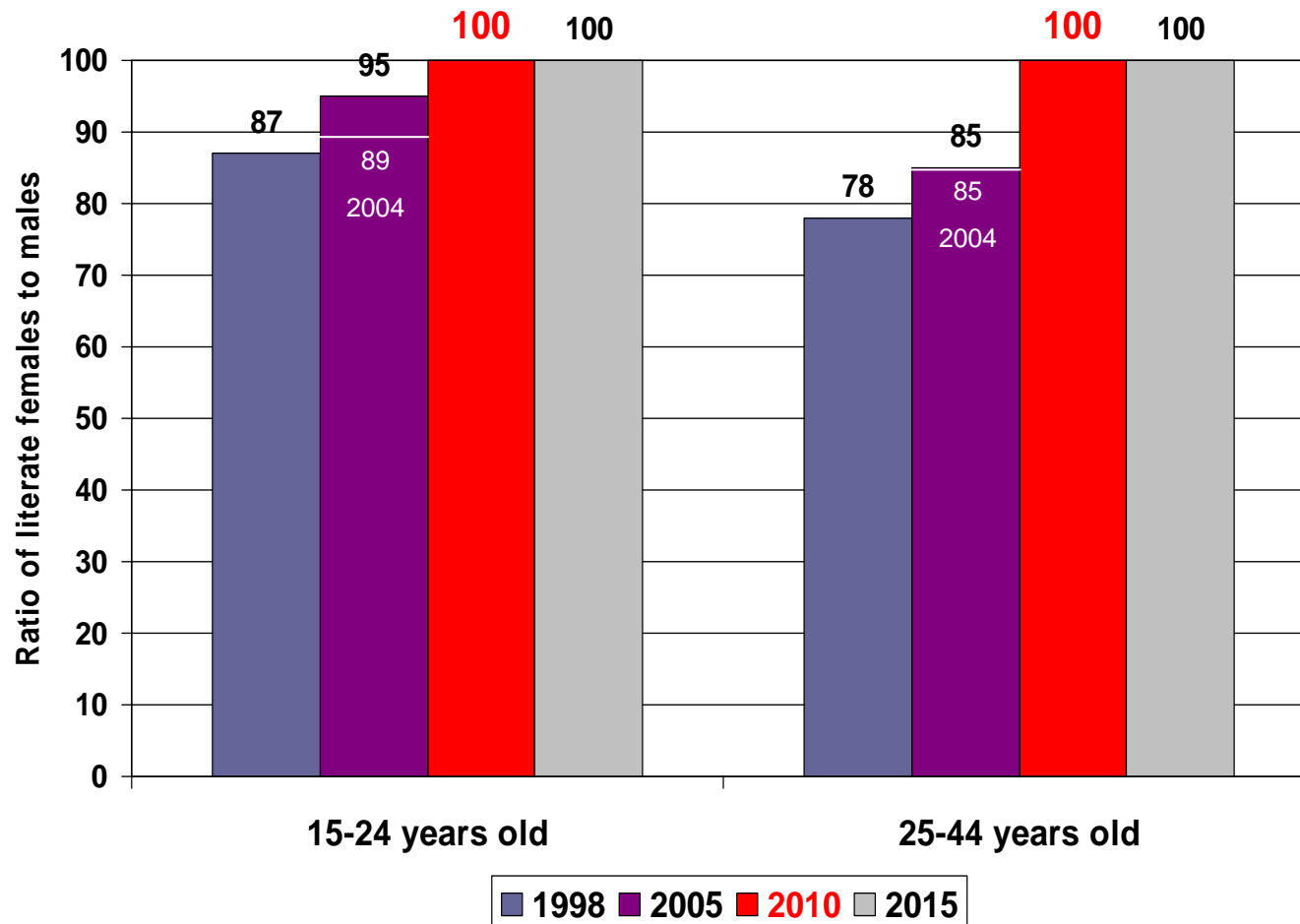
Distribution of Enrollment by Income Group 2002-2003



Primary	17.1	20.4
Lower secondary	6.7	37.0
Upper secondary	1.8	52.0

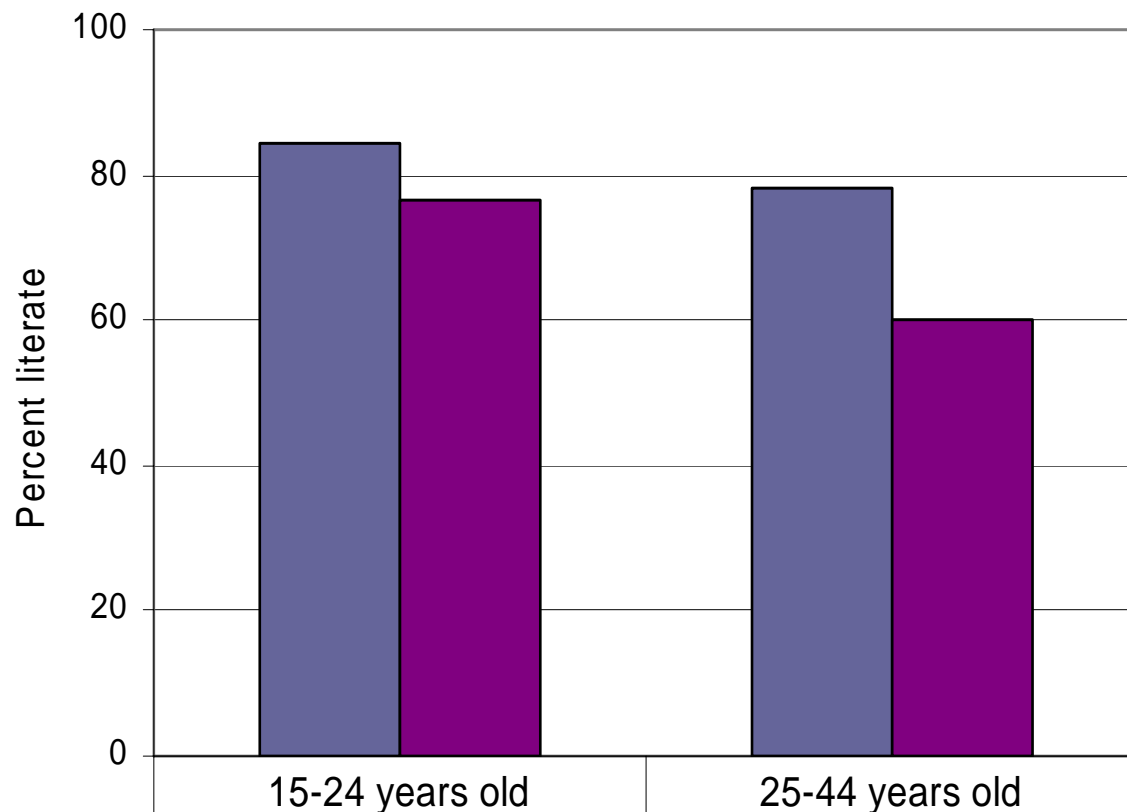
Highlights the importance of combining poverty analysis with gender analysis.

Eliminate gender disparities in literacy rates (CMDG 3, Overall target 5)



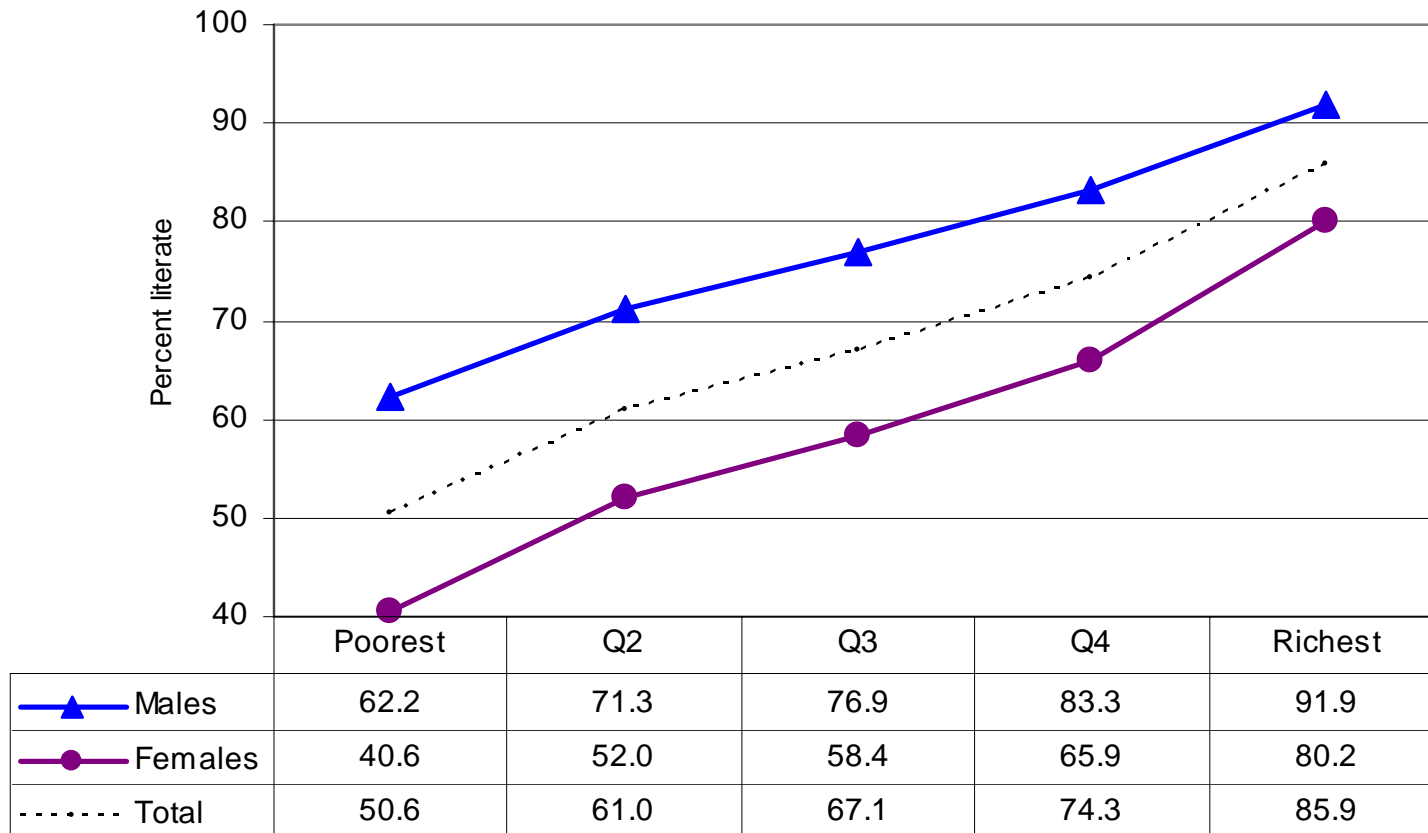
Indicators:
Ratio of literate females to males 15-24 years old (3.3) and 25-44 years old (3.4)

Current situation

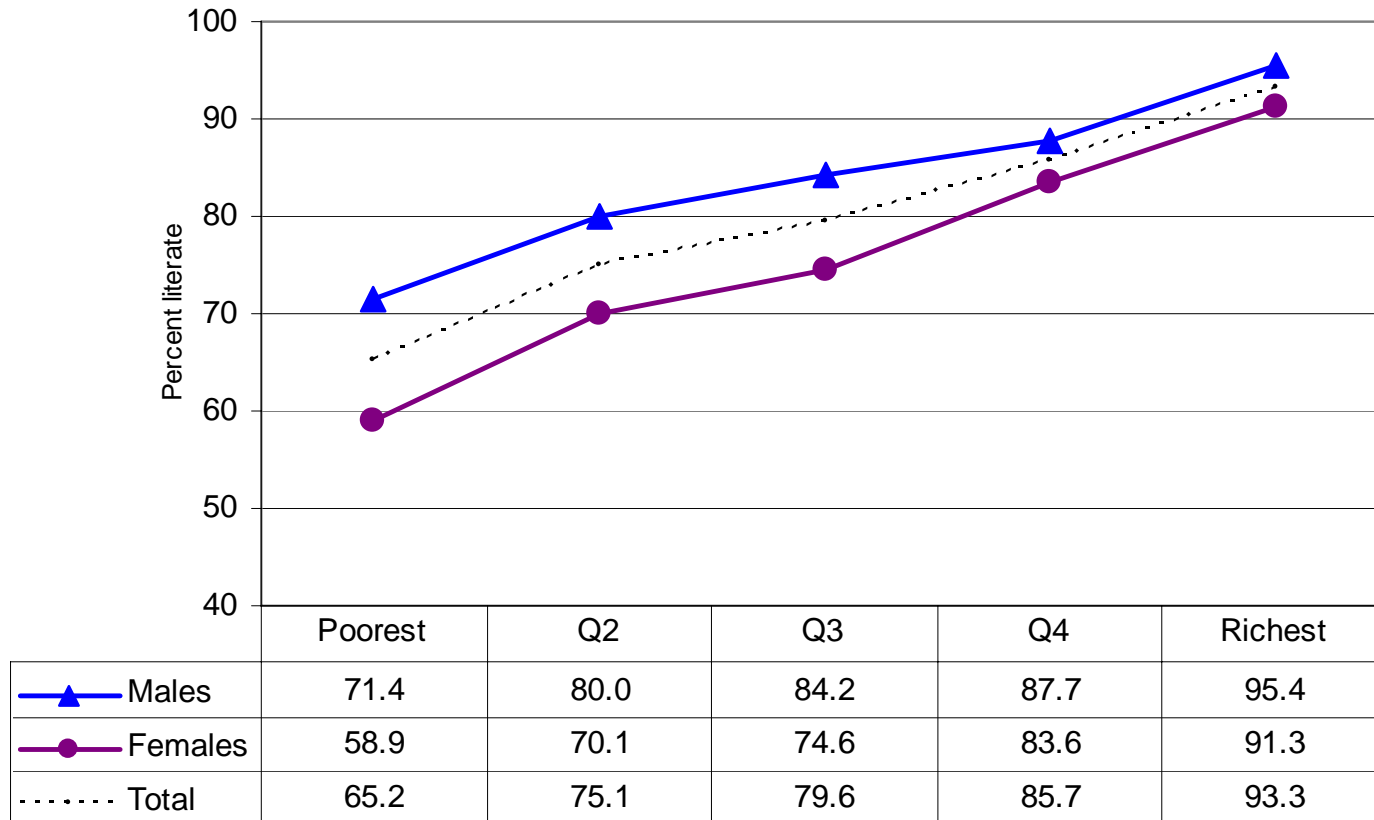


■ Males	84.3	78.2
■ Females	76.6	60.0

Literacy rates by income group, 25-44 years old



Literacy rates by income group, 15-24 years old

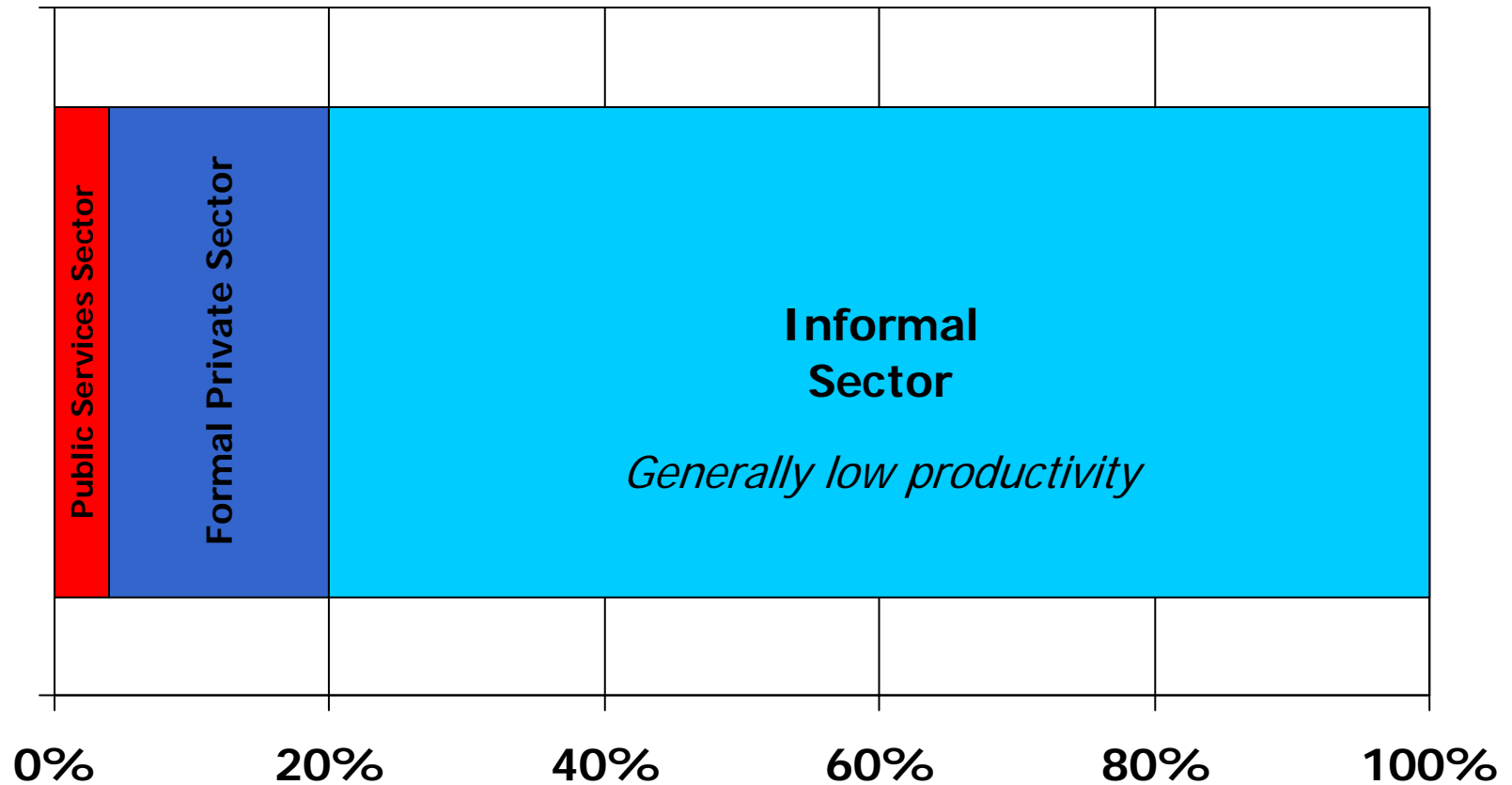


Costing exercise

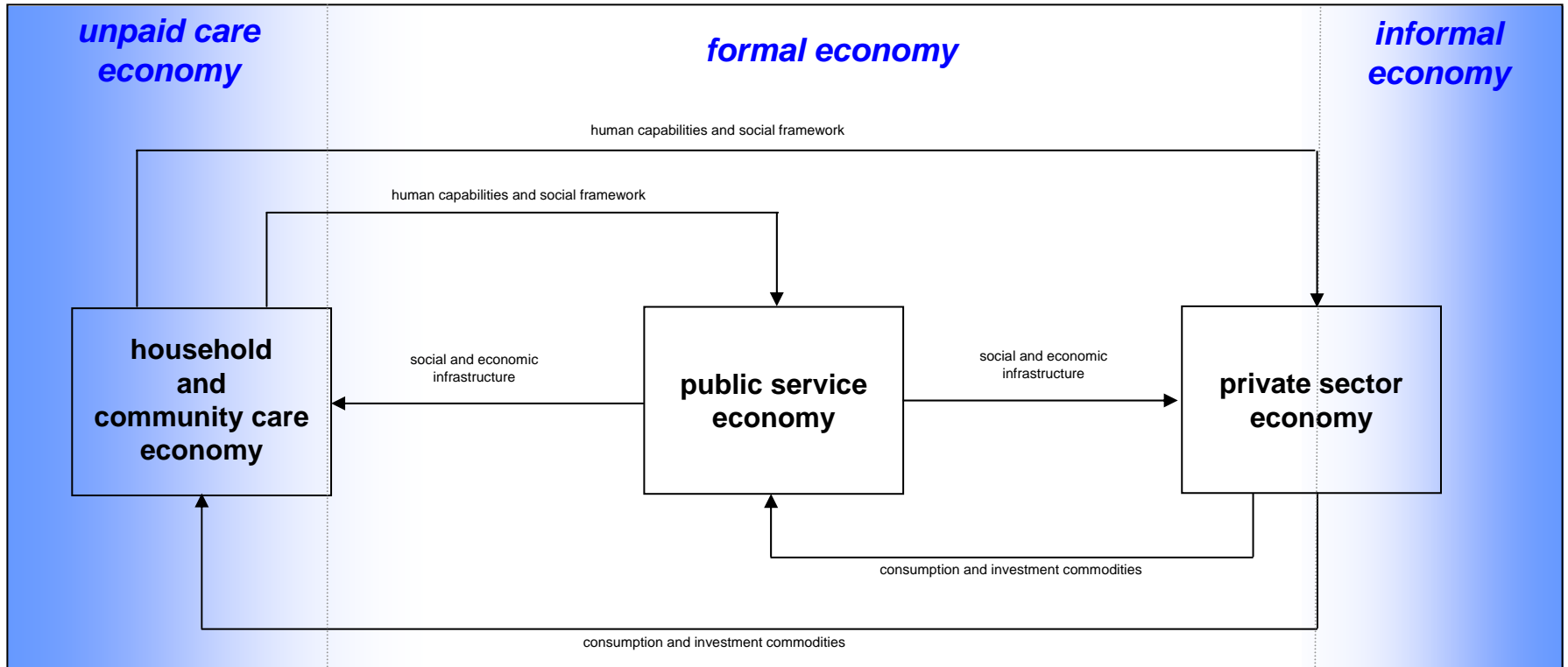
	Females	Males	Estimated cost per year for the next five years
<i>Eliminate gender disparities in literacy in each age group</i>			
15-24 years old in 2010	114,000	--	\$ 0.43 million
25-44 years old in 2010	200,500	--	\$ 0.75 million
<i>Also, achieve 100% literacy in each age group</i>			
15-24 years old in 2010	98,000	176,700	\$ 1.03 million
25-44 years old in 2010	498,000	371,000	\$ 3.26 million

Macroeconomic policy, the informal sector and the 'care economy'

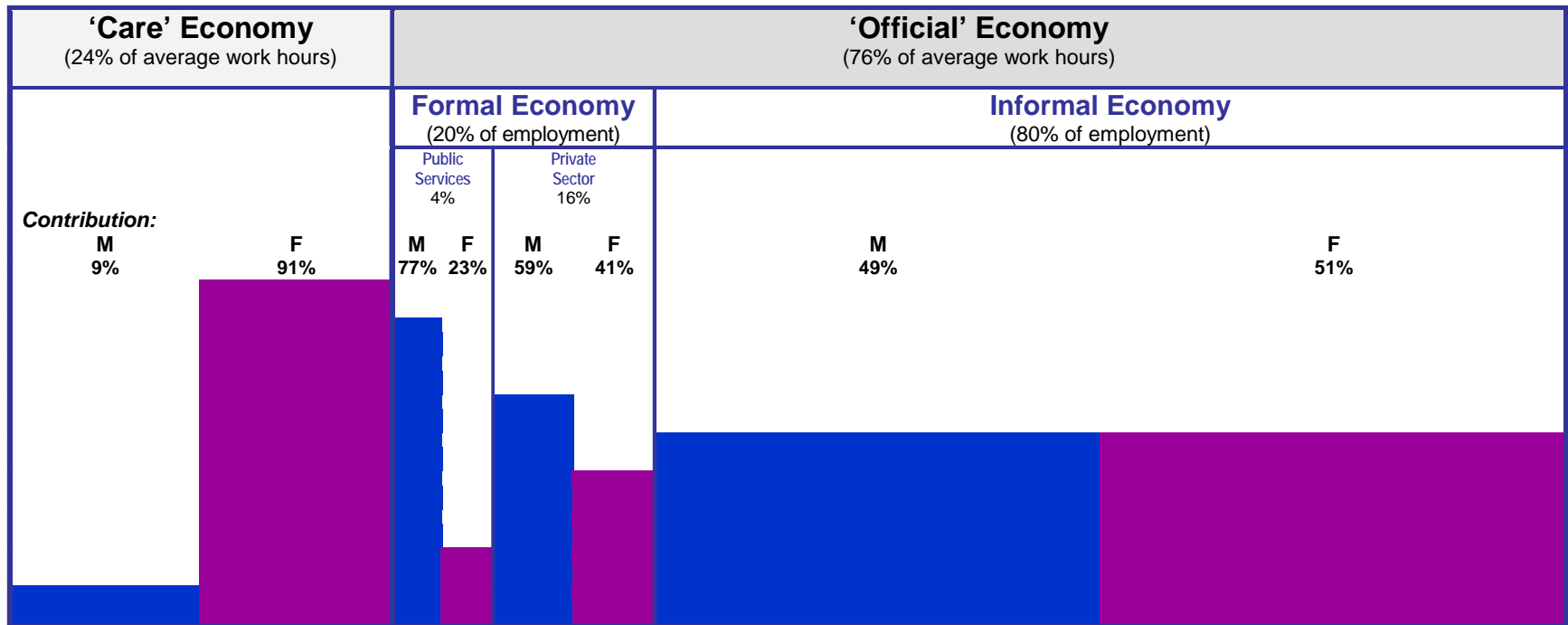
The Cambodian economy is dominated by the informal sector



Women are mostly in the informal and unpaid care economy



The vast majority of work time is either unrecognized work in the care economy or at low levels of productivity in the informal economy



Source: CSES 2003/04



Future directions

Future directions

MEF and SNEC

Outputs	Output indicators and means of verification	Activities
<ul style="list-style-type: none"> ■ Increased willingness and capacity of MEF and SNEC officials to integrate gender analysis and gender-responsive action into public financial management policies, procedures and guidelines 	<ul style="list-style-type: none"> ■ Gender-responsive measures integrated into the detailed workplans for each stage of the PFM reform program ■ Budget circulars and other public financial management guidelines require analysis of gender concerns in budget submissions and identification of activities and resources to address these concerns 	<ul style="list-style-type: none"> ■ Training and advisory support to MEF and SNEC linked to each platform or stage of the PFM reform program ■ Exposure of senior officials to best practices in gender-responsive budgeting (e.g., bringing international experts to Cambodia/study tours/workshops to share experiences, tools and practical application of GRB in other countries) ■ Training and support for budget department staff focused on priority sectors

Future directions

Line ministries

Outputs	Output indicators and means of verification	Activities
<ul style="list-style-type: none">■ Increased willingness and capacity of key line ministries to identify priority measures to reduce gender inequalities within their programs and allocate sufficient resources to carry out these measures	<ul style="list-style-type: none">■ Gender-responsive measures integrated into sectoral strategies and program	<ul style="list-style-type: none">■ Training and advisory support to key line ministries in identifying priority measures to reduce gender inequalities within their programs and costing of these measures within the framework of evolving sectoral strategies and the shift to results-based budgeting

Future directions

Local government

Outputs	Output indicators and means of verification	Activities
<ul style="list-style-type: none">■ Commune councils allocate increased resources for projects which respond to gender concerns	<ul style="list-style-type: none">■ Distribution of commune council resources for infrastructure projects vs. social services	<ul style="list-style-type: none">■ Pilot test gender disaggregated beneficiary impact assessments at the commune level linked to commune council planning process

Future directions

MoWA and NGOs

Outputs	Output indicators	Activities
<ul style="list-style-type: none">■ Increased capacity of MoWA and women's NGOs to advocate for and monitor the allocation of resources for gender-responsive measures integrated	<ul style="list-style-type: none">■ Gender-responsive policy measures adopted and funded within line ministry programs■ Allocation of budgetary resources to MoWA for program activities	<ul style="list-style-type: none">■ Training and mentoring support for MoWA and women's NGOs in advocacy for and monitoring of gender-responsiveness in budgets■ Targeted research as an advocacy tool to mobilize support for gender-responsive measures which are currently being neglected

Partnerships for Gender-responsive Budgeting

