Gender-Responsive Budgeting

General information and guidance about budgeting in WFP:

This section of the Gender Toolkit provides an overview of gender-responsive budgeting. It does not provide guidance on how to formulate a budget for a specific WFP programme; and is not a step-by-step guide for undertaking each type of gender-responsive budgeting.

Information and guidance on financial resource management, including budgets, is available on the WFP intranet.

WHAT

Budgeting is the process of working out the financial costs of implementing a programme (or other initiative) and managing the allocated funds for the duration of programme implementation. Budgeting involves conducting research, estimating costs for each programme expense, anticipating changes and clearly stating the assumptions that underpin the budget.

“Gender responsive budget initiatives are strategies for assessing and changing budgetary processes and policies so that expenditures and revenues reflect the differences and inequalities between women and men in incomes, assets, decision-making power, service needs and social responsibilities for care.”


Gender-responsive budgeting (GRB) – more accurately gender-responsive planning and budgeting (GRESPB) – is budgeting that emphasises equity and equality of outcome, where consideration is given to:
• the particular needs, interests and priorities of women and men, girls and boys; and
• the different impacts of financial expenditure on the lives of women, men, girls and boys.

Gender-responsive budgeting is the budgetary component of gender mainstreaming – a gender perspective is applied to the allocation and expenditure of resources in order to contribute to gender equality outcomes. Gender-responsive budgeting is not about creating a ‘women’s budget’, but integrating gender into ‘mainstream’ budgets.

The equity element of gender-responsive budgeting means that resources are allocated according to need and interest; which is not always a 50/50 split between women/girls and men/boys. Gender-responsive budgeting involves asking: ‘What impact does the budget have on gender equality?’ And then redressing any elements that do not contribute to gender equality outcomes.

There are different types of gender-responsive budgeting.

Diane Elson’s Gender-Responsive Budgeting Taxonomy
• gender-aware policy appraisal
• sex-disaggregated beneficiary assessments
• sex-disaggregated public expenditure incidence analysis
• sex-disaggregated analysis of the budget on time use
• sex-disaggregated tax incidence analysis
• gender-aware medium-term economic policy framework
• gender responsive budget statements

WHY
Budgeting is an essential part of designing a programme – or any policy, service, operation, initiative etc. – and of managing implementation of the programme. Like the vast majority of organizations, WFP has limited resources with which to achieve its outcomes; so it is essential that its programmes deliver value for money by being economical, efficient, effective and equitable. Budgeting that is gender-responsive supports value for money programming.

Desired change, such as outlined in WFP’s Strategic Plan (2017-2021), requires investing resources. Gender-responsive budgeting is needed to bring about gender-transformative changes.

Gender-responsive budgeting is important for:
- realizing a world of zero hunger
- sustainable, rights-based and inclusive development because programmes are designed to meet the particular needs, interests and priorities of diverse women, men, girls and boys
- results-based management, with conscious attention given to the impacts of a programme – or any other initiative – in the lives of women, men, girls and boys
- mainstreaming gender across WFP (or national governments, NGOs, private companies, philanthropic organisations etc.)
- economical and efficient programming because gender-responsive budgeting redresses the financial costs of gender inequalities (under-utilising capacities, hindering productivity etc.)
- accountability because entities like WFP are answerable for their policy commitments
- transparency because who benefits from expenditure is clearly indicated

**WHEN & WHERE**

Initial budgets are developed at the programme design stage. Budgets should be monitored and revised throughout programme implementation, in response to information gathered from programme monitoring activities.

In WFP, tracking of expenditures against activities that contribute to gender equality outcomes occurs annually – in December each year.

**WHO**

For a WFP country strategic plan, the Strategic Outcome or Activity managers (or equivalent) should assume responsibility for preparing the budget. The budget should, however, be agreed following consultation with key stakeholders. This is because one of the central tenants of gender-responsive budgeting is that it is participatory.

Key stakeholders – who are equally women and men and represent their particular interests – should participate in the budgeting process to ensure that the budget is relevant to, and adequately meets the needs of, all involved in the programme/CSP Activity. In discussions with stakeholders it is important to identify what activities require funding and what activities require non-funding support.

**HOW**
Gender-responsive budgeting employs various tools, which involve either:
- analysing documents, including budgets, from a gender perspective
- formulating a gender-responsive budget, where consideration is given to gender mainstreaming expenditure and gender-targeted expenditure

Gender-responsive budget analysis is where an assessment is made of the extent to which previous budgets met, and current budgets will meet, the needs and interests of women and men, girls and boys.

Gender-responsive budget formulation involves preparing a budget in which gender considerations are integrated, with gender equity measures and gender equality outcomes.

1. Key Requirements for Gender-Responsive Budgeting

- Sex-disaggregated data and indicators – so that (a) gender-responsive budgets can be formulated, and (b) the impact of a budget, for women, men, girls and boys, can be monitored and evaluated.
- Gender capacities among individuals with programming and budgetary responsibilities.
- Political / institutional commitment and tools, including guidelines for integrating gender into:
  - programme planning and budgeting, including discretionary expenditures
  - outsourcing, procurement and grant disbursement
- Recognition and assumption of individual and collective responsibility for gender budgeting
- Incorporation of gender into performance, financial and compliance audits

2. Key Stages

Key Stages of Gender-Responsive Budgeting in Programming:
1. Budget preparation – integrate gender equality considerations into the programme design, including specifying gender priorities in budget allocations (gender equality budget line items).
2. Budget approval – apply gender-responsive budgeting guidelines in finalising and approving the programme budget.
4. Audit and evaluation – gender-sensitive financial and performance audits are conducted.

Document Assumptions: When preparing budgets, document the assumptions. For example: ‘we will not experience hyper-inflation during the life of the programme’ or ‘we will be able to procure staple foods locally and not have to import’.

Documenting the assumptions that you make when preparing a budget is important so as to be able to effectively monitor the budget during programme implementation. For example, a three-year budget for a programme in a particular country may have been based on the assumption that Government remains committed to gender equality and women’s empowerment; based on the policies and actions of the incumbent government. A change in the presidency or ruling political party may result in regressive measures that restrict gender equality expenditures and hinder activities designed to empower women.

Analysing any over or under-spend during the life of the programme is made easier when assumptions are clearly stated because the persons who monitor and evaluate the programme can test if the initial budgeting assumptions held true; and make recommendations accordingly.
3. Types of Gender-Responsive Budgeting

**Gender-Aware Policy Appraisal**

Before conducting a gender analysis of a budget, a gender analysis of policies and programmes may be undertaken. The purpose of a gender-aware policy appraisal is to determine the extent to which the policy or programme, and the assigned resources, will contribute to realising gender equality.

**Key questions:**
- In what ways will the policy / programme, and its resource allocations:
  a) reflect women’s, men’s, girls’ and boys’ needs and priorities?
  b) affect women, men, girls and boys?
  c) reduce or increase gender inequalities?
- What are the current gender inequalities? Are there gender-specific constraints, needs and opportunities that the policy or programme addresses?
- Is it possible to add specific measures to make the policy / programme more effective, efficient and equitable?

**Quantitative & Qualitative Data:** In order to conduct a gender-aware policy analysis, it is necessary to have both quantitative and qualitative information about the policy or programme being assessed, to which a gender lens can then be applied. To this end, a five-step approach is sometimes adopted, involving:
1. a situation analysis, with separate consideration of women, men, girls and boys
2. analysis of the policy or programme, in terms of the extent to which it addresses the identified situation for women, girls, men and boys
3. analysis of budget allocations, with particular focus on determining if the allocations are sufficient to realising the policy or programme outcomes
4. analysis of the outputs associated with policy / programme expenditure
5. analysis of outcomes and impact separately for women, men, girls and boys, in relation to gender equality

**Sex-Disaggregated Beneficiary Assessment**

Sex-disaggregated beneficiary assessment involves obtaining the views and opinions of women and men, girls and boys, about the extent to which a policy or programme meets their needs; that is, the impact of a policy or programme in the lives of women and men, girls and boys, in terms of benefits and/or costs.

Participation is a key element of this gender-responsive budgeting tool, which may employ opinion polls, attitude surveys, focus group discussions or interviews to obtain quantitative data and qualitative information from stakeholders.

**Key questions:**
- Who are the beneficiaries of the budget?
- To what extent does the policy or programme match the needs and priorities of the different beneficiaries?

**Sex-Disaggregated Expenditure Incidence Analysis**

Sex-disaggregated expenditure incidence analysis measures the degree to which women and men, girls and boys, benefit (or not) from the distribution of financial resources. The unit cost of providing a good or service is calculated; then the extent to which women, men, girls and boys consume the good or utilise the service is determined.

**Key questions:**
- How are the financial resources of the programme distributed between female and male beneficiaries?
What are the implications of the resource allocation for women, men, girls and boys?
How are women, men, girls and boys benefiting from the way programme resources are allocated?

In order to answer these three questions:
- programme expenditure information is required, including the unit cost of a good or service;
- the beneficiaries must be identified, disaggregated by sex and age, as well as other pertinent variables such as disability and rural/urban status;
- assessment of the distribution of resources between female and male beneficiaries made.

When an analysis reveals inequalities in programme benefits between women and men, or girls and boys, mechanisms for reallocating funds need to be applied.

**Sex-disaggregated Analysis of the Budget Impact on Time Use**

Sex-disaggregated analysis of the impact of a budget on time use is a tool for identifying the relationships between budget allocations, the goods and services provided, and the ways in which household members spend their time.

This gender-responsive budgeting tool involves conducting household time use surveys. It is a tool that is useful for identifying the impact of a budget on unpaid labour: domestic chores and caring for children or elderly persons which is commonly performed by women (and girls), but not factored into budgeting and financing processes. Budget cuts that reduce access to social services can, for example, result in an increase in the unpaid care and domestic work (most often) done by women (and girls).

**Gender-Aware Medium-Term Policy Framework**

Gender-aware medium-term policy frameworks outline the policy and/or programme resources available for a defined period, such as three years; and indicate how the resources will be allocated so as to achieve the policy outcomes. A gender-aware medium-term policy framework is the budgetary link with policy / programme planning.

**Gender-Aware Budget Statement**

A gender-aware budget statement is a report. It is a report which summarises reviews of resource allocations and expenditures in terms of the contribution to gender equality outcomes. Completed on a regular basis, such as annually, gender-aware budget statements are means of evaluating the effectiveness of a programme in reducing gender inequalities.

A gender-aware budget statement is not a gender budgetary tool, but a form of gender equality accountability. Within a gender-aware budget statement are indicators that measure contribution to gender equality. Examples of such indicators are gender parity in employment and the proportion of expenditures utilised by women.

A gender-aware budget statement is one component of programme monitoring which provides information for tracking programme outcomes, and ensuring funding allocations, for gender equality.