

# **Gender-responsive call circulars and gender budget statements**

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The guidance sheet series is produced by UNIFEM's Gender Responsive Budgeting Program to assist government officials and gender equality advocates in their efforts to make gender responsive budgeting a reality in their countries.

Issues in this series will explore Gender Responsive Budgeting concepts, tools and experiences and highlight good practices adopted by ministries of finance, sectoral ministries, local governments, parliamentarians, and civil society around the world.

### Introduction

Many gender-responsive budget (GRB) initiatives begin with analysis. This is appropriate so that the actors have a good understanding both of the needs of the people in the country as well as how budgets work and the policies and programmes that they reflect. Ultimately, however, the aim of GRB initiatives is to change budgets (and the related policies, if necessary) so that they promote gender equity more effectively. To achieve this, those who are leading GRB initiatives need to think of ways of assisting government officials in formulating and implementing budgets that are more gender-responsive.

This pamphlet describes two tools that can be used to assist government officials in this task. These tools involve some analysis, but move beyond the analysis to planning, allocation and monitoring. The tools will usually need to be introduced by the Ministry of Finance or other government agency (such as the Planning Commission) which directs the budget process. The tools are thus most easily used in GRB initiatives that are located inside government, and in which the Ministry of Finance (or other agency) plays a lead role.

The first tool, the call circular, already exists in virtually all countries, but is usually gender-blind. Here we describe how the GRB can try to have the circular enhanced so as to promote gender responsiveness more effectively. The second tool, the gender budget statement, is a tool specific to GRB and had been used by GRB initiatives in a number of countries. This tool can be used by outside-government GRB initiatives as the basis of awareness-raising and advocacy. In this pamphlet, we focus on its use inside government.

While the focus in this pamphlet is on GRB work inside government, a government that has a call circular that addresses gender issues and that produces gender budget statements will facilitate participation in budget discussions by parliament and civil society. It will do this, among others, by addressing the common complaint among those who want to do GRB analysis that they cannot 'see' gender in the budget because of the opaque format in which it is presented. Because the budget information produced as a result of gender-aware call circulars and in gender budget statements will be more explicit as to what government is planning to do in respect of gender issues, the new information provided will make analysis, discussion and advocacy easier.

In addition, in responding to call circulars and in drawing up gender budget statements, officials often discover for themselves the inadequacy of available gender-related statistics. This can stimulate them to improve their information systems so that they produce better information in the future. Over time, as this information becomes public available, evidence-based analysis, discussion and advocacy is further facilitated.

### Call circulars

#### What are call circulars?

Call circulars are the official notices that are issued by the Ministry of Finance, Planning Commission or similar agencies near the beginning of each budget cycle. The purpose of the circular is to instruct government agencies how they must submit their demands for budgets for the coming year. In some countries the circular may have another name, such as budget guidelines or Treasury guidelines, but the purpose is basically the same.

The call circular goes to all spending agencies (ministries, departments, other government-funded institutions). It usually tells each agency what its budget “ceiling” for the next year is i.e. how much the Ministry of Finance or Planning Commission is planning to allocate to that agency. In some cases the call circular describes government priorities that should be addressed in the coming year’s allocations. The circular also gives a range of other instructions to the agencies about how they should construct and format the draft budget for the coming year and how they should present the motivations for this budget. The planning and budget officials within the agencies then use this format to draw up their budget submissions. These submissions are subsequently inspected by, and negotiated with, the Ministry of Finance or Planning Commission before going to Cabinet.

The format of budget submissions differs widely across countries. Some submissions consist mainly of tables of financial numbers. Others – especially where countries are moving towards programme or performance budgeting – include more narrative, as well as numbers showing delivery performance, such as the number of clinics built or planned, and the number of students enrolled. The submissions made in response to the call circular are generally not public; they are internal working documents of government.

One way in which call circulars can be made more gender-responsive is for them to state explicitly that gender should be reflected in the submissions, and will be considered an important criterion during negotiations. This should create an incentive for agencies to budget in a gender-responsive way. Another way that the circulars can be improved from a gender perspective is to require that all relevant indicators be sex-disaggregated, and that gender-related indicators be included wherever relevant.

The more clearly the call circular specifies how gender should be specified, the more likely it is that agencies will consider the issue carefully and specify in a clear way what they intend to do. If a call circular states only that agencies should ‘consider gender’ in their submissions, many agencies may respond by simply adding ‘especially women’ at various points, or by changing all references to ‘people’ to ‘women and men’. In contrast, a call circular that makes specific requirements, for example, in terms of sex-desegregation of indicators, or how and where gender should be reflected in particular parts of the specified format, is likely to result in more meaningful changes to the submissions.

### Examples of gender in call circulars

In recent years, a number of countries have started making reference to gender equity in their call circulars. This has happened as a result of particular government's commitment to mainstreaming gender in their budget-making processes, and in response to global calls such as that of the Commonwealth's Ministers of Finance meeting, and in response to advocacy by women's groups.

The way in which gender equity is referred to differs widely across different countries. The requirements placed on the spending agencies also differ. The examples below illustrate some of the different ways this has been done and give some idea of the possibilities. The examples might also stimulate ideas of further ways of using the call circular to encourage government officials to draw up their budget submissions in a more gender-responsive way.

#### Uganda

In Uganda, the Ministry of Finance's call circular for 2005/06 states:

*Government is committed to mainstreaming gender and equity objectives in the planning and budgeting process. This involves articulation of the needs of special groups including women, orphans, elderly, youth and the persons with disabilities and integration of the respective interventions with the existing programmes as part of the budgeting process. The guidelines have been incorporated in the Terms of Reference for the Sector Working Groups (SWGs). You are therefore requested to identify these requirements and ensure that the cost implications are integrated in the budget estimates for next financial year 2005/06 and the medium term.*

In addition, in November 2004 the Ministry of Finance produced *Guidelines for the Budget Process for Financial Years 2005/2006 to 2007/2008 Sector Working Groups Terms of Reference and Guidelines on Gender and Equity Budgeting*. The sector working groups (SWGs) are multi-stakeholder groupings that play a key role in policy and budget formulation in Uganda and were also involved in the revision of the Poverty Eradication Action Plan (PEAP), which is Uganda's PRSP.

Annex 1 of the *Guidelines* includes an explanation of what gender and equity responsive budgeting involves. It also suggests that sectors need to take the following steps to ensure that their submissions are gender-responsive:

- Determine and describe the issues constraining gender equality and overall inequity
- Review existing policies and programmes to see if they promote equality and equity
- Propose policies and interventions that will address the constraints
- Use existing structures, or create new ones, to promote the full participation of all people living in Uganda

The document then goes on to suggest “practical steps for gender and equity mainstreaming in policy formulation, implementation and monitoring”.

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### Tanzania

In Tanzania, the budget guidelines issued by the Ministry of Finance for 2006/7 include a “gender section” which is about a page long. This represents significant progress from when gender was initially included in the budget guidelines, when there were only one or two sentences on this topic.

The gender section explains that the Women and Gender Development Policy and Strategy provides the overall framework for gender mainstreaming in all policies and programmes of government. It then describes both achievements and constraints in respect of achieving the goals of the policy. On the achievement side, it describes legislative progress in respect of land and sexual offences, affirmative action to increase the number of women in elected and appointed positions, the establishment of a training fund and micro-credit facilities, and establishment of gender focal points in all government agencies. In terms of constraints, it notes that “cultural beliefs and customs have continued to hold back attainment of equality in almost all fields”. The gender section ends with a list of five policy commitments and four priority areas for resource allocation that are meant to guide ministries when they draw up their budgets.

*For further information, refer to <http://www.tqnp.org/>*

### Pakistan

In Punjab province of Pakistan, the 2006/07 call circular required that all departments provide sex-disaggregated information in respect of all employee-related expenses. The departments were thus required to provide both the number of male and female employees affected, and the amount of money allocated for male and female employees. The government-led GRB initiative in Pakistan has plans for further gender-related specifications in future call circulars which will focus on programme delivery rather than only on government employees.

For further information, refer to <http://www.grbipunjab.gov.pk/>

### Ensuring gender-responsive call circulars achieve their aim

Getting gender discussed in the call circular is an important achievement. However, unless steps are taken to ensure that the government agencies take note of the gender aspects of the guidelines, it will be a hollow victory.

There are several ways to increase the chances that the gender aspects will be observed. **Firstly**, agency officials must know that their budget submissions will be considered more favourably by the Ministry of Finance or Planning Commission if gender issues are addressed. One way to do this is to include representatives of the national gender machinery on the team that inspects the submissions and that negotiates with the agencies. This has been done in Philippines, where the National Commission on the Role of Filipino Women is a member of the team. It is also important to ensure that the Ministry of Finance's sectoral budget officers understand the gender requirements. In many countries these sectoral budget officers provide advice to the agencies while they are drawing up their budget submissions and are the first ones to check the submissions. They are therefore key gatekeepers. They are also likely to be influential during the negotiation stage. If they are asking the right questions, agencies are more likely to take gender seriously.

**Secondly**, we cannot assume that the agency officials have the necessary capacity to follow the instructions in the call circular, especially when gender is first introduced as a requirement. They might thus be willing to observe the guidelines, but unable to do so effectively. In the first years, therefore, training, mentoring or some other form of guidance might need to be made available to the agency officials responsible for preparing the budget submissions so that they (a) have a good understanding of gender and (b) understand how it can be reflected in their programmes, policies and budgets.

For example, in Tanzania, when the medium-term expenditure framework (MTEF) was being introduced, the Ministry of Finance contracted the Tanzanian Gender Networking Programme (TGNP), a non-governmental organisation, to provide training to government officials in five pilot ministries on incorporating gender into the MTEF. After the training was finished, the Ministry contracted TGNP to provide “backstopping” (mentoring) assistance to the officials in these agencies as they drew up their MTEF budgets. TGNP also produced a manual to guide officials in this task.

**A third** way of ensuring gender is addressed is to give specific instructions as to how this must be done, rather than the call circular simply making a general call for gender responsiveness. Specific instructions could, for example, require that all indicators of past performance relating to individuals be sex-disaggregated. Specific instructions could also require that particular specified gender issues, such as violence against women or economic empowerment, be explicitly addressed by all agencies for which these issues are relevant.

**A fourth** possibility is to provide personal incentives for officials that encourage them to perform well in respect of gender. Chile has done this by introducing a system of remuneration incentives that reward officials in agencies that show progress in taking forward the country’s “plan for improvement of public management”. Compliance with various steps of incorporating gender into the budgeting process is among the measures used as the basis for these incentives. The country’s national machinery, SERNAM, plays a central role in monitoring the gender equality criteria.

**Finally**, and perhaps most importantly, as with most aspects of GRB work, change will not happen in one step. Problems in relation to data availability and limited capacity and experience of all involved will mean that the first submissions in response to a call circular will be far from perfect. It is thus important that call circulars continue each year to include the gender requirements so that officials can build up their expertise and systems over time. An ongoing process will also allow the gender requirements in the call circular to be refined over time to avoid stating the requirements in ways that are found to be confusing, and to add further requirements as expertise, information and systems improve.

### Gender budget statements

#### What is a gender budget statement?

A gender budget statement is a gender-specific *accountability document* produced by a government agency to show what its programmes and budgets are doing in respect of gender. A gender budget statement therefore shows:

- the agency's intention to do something in respect of gender equality; and
- that the agency is putting money where its mouth is (i.e. budget is following the policy commitment).

In some countries (such as Gauteng province in South Africa), the gender budget statement is included in the main budget document. In other countries (such as France), the gender budget statement is produced as a separate report. There are advantages and disadvantages to both approaches. For example, if the gender budget statement is included in the main budget document, it may not be read by most gender advocates. If it is produced as a separate document, it can easily be ignored by the "mainstream". Whichever choice is made, the document should if at all possible be tabled on or near budget day and should have the status of an official budget document.

The gender budget statement is prepared after government agencies have completed the process of drawing up the budget and allocating resources to different programmes in response to the annual call circular. Preparation of the gender budget statement is therefore not part of the process of prioritisation of policies and budgets.

The gender budget statement is a "post mortem" report. However, reflections of government officials, parliamentarians and civil society on what is contained in the gender budget statement could result in changes in prioritisation in the following budget year. The chances of this happening are especially strong when governments are using a multi-year budgeting approach such as an MTEF, as the gender budget statement can then show both what is planned for the budget year and what is planned for the following two to four years.

### What does a gender budget statement look like?

To make it easier both for government officials to compile the statement and for parliamentarians and the public to read and understand it, there should be a standard format for the gender budget statement to be used across all departments. In all countries, a gender budget statement will be most meaningful (and easier for government officials to draw up) if it is based on the standard budgeting approach used by government in that country. If, for example, the standard budgeting system uses concepts such as “outcomes”, “outputs” and “indicators”, the gender budget statement should also use these.

Because the gender budget statement is a summary, it cannot cover all activities of government. The following two questions can help choose what activities the gender budget statement should focus on in a particular sector:

- Where is most money going? This question is important because the GRB approach is aimed at mainstreaming gender i.e. at ensuring that gender is considered in the main policies and spending of government.
- Which programmes are most important for gender equality? This question is useful because sometimes there is an activity which costs relatively little but which can make a big difference for gender equality.

### Examples of gender budget statements

#### India

For the 2005-06 Union Budget, the Finance Ministry in India introduced a gender budget statement that identified “demands for grants” (proposed allocations) which would substantially benefit women in 10 departments. For the 2006-07 Union Budget, the gender budget statement was expanded to 24 demands for grants of 18 ministries. Each ministry identified two categories of allocations. The first type was allocations targeted 100% at women or girls. The second type was allocations where at least 30% of the allocation was targeted at women or girls.

India has not yet implemented programme or performance budgeting. The gender budget statement did not, therefore, include items such as outputs or outcomes. Instead, for each of the identified “demands for grants” it listed the amount allocated in the previous year, the revised amount for the previous year (the amount likely to be actually spent), and the budget for the coming year.

For further information, contact: [firoza.mehrotra@unifem.org](mailto:firoza.mehrotra@unifem.org)

### France

France's gender budget statement is called the Yellow Budget Paper on Women's Rights and Gender Equality. It was introduced in 1999 when members of Parliament decided that government must every year, together with the Finance Bill, table a document showing what it was doing to promote women's rights and gender equality. France also has Yellow Budget Papers on other cross-cutting issues which are the responsibility of more than one ministerial department.

For the gender Yellow Budget Paper, each department is required to:

- identify all programmes and actions targeted at women or girls
- identify all actions it has taken to promote gender equality
- describe its policy on gender equality
- present indicators that it uses to measure its contribution.

Analysis of the early Yellow Budget Papers showed that the gender-specific allocations accounted for only about 40 million Euro out of a total budget of 260 billion Euro. This is why including mainstream programmes that promote gender equality in the Yellow budget Paper is so important.

For further information, refer to <http://alize.finances.gouv.fr/budget/plf2006/DJAUNES.htm>

### South Africa

Since 2003, the government of Gauteng province of South Africa has required that every department produce a gender budget statement as part of their main budget document. As in other countries, the statement does not describe a separate budget for women and gender equality. Instead, it describes sub-programmes which are already part of the standard budget for the department, but does so under headings that highlight the specific relevance of the sub-programme for women and gender equality.

The gender budget statements use a prescribed matrix format where most of the columns use similar terms to those used in the main part of the budget, such as outcomes, outputs and indicators. However, the gender budget statement also has a column labelled "gender issues" where the department must describe the issue that a particular sub-programme is attempting to address.

The departments are asked to prepare their gender budget statements in five parts, as follows:

- Outcomes and outputs of the three largest sub-programmes and their implications for gender equality
- Outcomes and outputs which specifically target women and girls
- Outcomes and outputs which will benefit women/promote gender equality
- Outcomes and outputs which will benefit women employees within the Gauteng provincial government
- Number of male and female government employees by level.

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### Morocco

The UNIFEM-led GRB initiative in Morocco resulted, in 2005, in the production of the country's first gender budget statement. The Gender Report, as it was called, was tabled as an annex to the Economic and Financial Report which accompanies the Budget Law. In 2005, the Gender Report did not cover all the government ministries. Instead, it focused on those that are most important for achieving the Millennium Development Goals. Each year, however, new ministries will be added until all are covered.

Unlike some of the gender budget statements of other countries, Morocco's Gender Report does not use a tight standard format for each ministry. Instead the report has a more narrative style. This style probably makes it easier to read for some people, including gender advocates. It also allows for a more nuanced description of the issues and programmes to address them. However, it entails more work for the government officials and also makes the statement longer.

For further information, refer to <http://www.finances.gov.ma/genre/>

### Ensuring gender budget statements achieve their aim

Gender budget statements are an accountability statement. But they will only serve the purpose of ensuring accountability if those to whom government should be accountable – such as parliamentarians and civil society – use the statements effectively. This is more likely to happen if the statements are easily available, if they are easy to read and understand, and if they are not too long. Through tracking output and input indicators, it becomes possible to track the various levels of accountability in the government.

Gender budget statements also have a secondary aim, of making the government officials who draw them up more aware of where there are gaps. This will only happen if the government officials take the task seriously and understand what they are doing. Some GRB initiatives have employed external gender experts to work on the gender budget statements. If these experts work with the government officials, then this can help the officials get a better understanding of gender. If, however, the experts do all the work themselves, the “product” may be better, but there is less likely to be an impact on the budget.

In the first years when gender budget statements are introduced, focused training and mentoring for the government officials should be provided. As they become institutionalised, this training can be incorporated in the standard training provided for the relevant officials. Gender budget statements can also indicate where the champions of gender are located, which could lead to some cross-fertilization across sectoral ministries. In addition, a positive focus on ministries that successfully integrated a gender dimension in their planning gives others a signal that the integration is feasible.

Gender budget statements should, ideally, be produced each year rather than on an occasional or one-off basis. This is necessary because gender budget statements will usually include information on both past performance and what is planned in respect of spending and deliver in the coming year. If there is no subsequent report in the following year, parliamentarians and civil society cannot check whether government has delivered according to plan. Further, when first preparing gender budget statements agencies will often realise that they do not have all the necessary information. For example, some of their data may not be sex-disaggregated. If gender budget statements are institutionalised as an annual document, agencies have the opportunity to adapt their information systems so that they generate the necessary data.

### In conclusion

#### The link between call circulars and gender budget statements

The country examples presented above show how call circulars can ask for gender to be addressed in the core part of agencies' budget submissions. In addition, call circulars can require that agencies draw up a gender budget statement. Gender budget statements are, however, also sometimes compiled without being 'called for' in the call circular. What is important is that, if at all possible, they become officially recognised as an annual task that government officials are required to do.

#### The challenges

Gender-responsive call circulars and gender budget statements offer exciting possibilities. The results are, however, sometimes disappointing. In particular, the information provided through the budget submissions and statements is often of limited use in advancing gender equity. Often an important cause of these weaknesses is the scope of activities covered by the gender budget statements and the requirements in the call circular.

In some cases the call circulars and gender budget statements reflect a narrow understanding of 'gender'. They might, for example, focus only on programmes and allocations that target women and girls. While these might be important as a form of affirmative action and to address severe gender inequalities, they generally account for only a very small proportion of any government's budget. These circulars and statements thus focus our attention on the crumbs, rather than on the main cake of the budget. Where the percentage of the budget allocated to women-only and girls-only activities is relatively large, this could well reflect the way service delivery is organized in a particular country rather than real attention to promoting gender equity. This could be the case, for example, in countries where there are separate schools for boys and girls.

The call circulars and gender budget statements in some countries go beyond focusing only on female-specific programmes and allocations to include particular programmes or agencies seen as 'important' for women. They could, for example, require that agencies focus on reproductive health programmes. Or, in some cases, any programmes relating to children will be seen as 'women-oriented'.

Again, these programmes may be important and may address some of the real problems faced by women in these countries. Nevertheless, they promote a narrow understanding of gender. And they negate a central message of gender mainstreaming, namely that gender issues need to be considered in all programmes and policies of government.

Moving beyond the female-focused and ‘women-oriented’ programmes is challenging. It involves much more than simply identifying programmes, listing them, and adding up the allocations. The broader approach also does not produce a single ‘number’ that measures how gender-responsive an agency’s or government’s budget is. The approach requires an understanding of gender issues in the country. It also requires a willingness to engage in discussion as to the vision of what gender equity in a particular country would look like and what steps are needed to move towards this vision.

The need for debate and discussion leads on to a final, but important, point in relation to gender budget statements, in particular – the need for engagement by parliamentarians and civil society. The gender budget statements are essentially accountability instruments.

Their purpose is to ‘state’ explicitly to parliament and the public what government is doing to promote gender equity. If parliamentarians and the public do not engage with these statements, government officials will soon lose interest and stop putting effort into producing them. An opportunity will then have been lost.

*For further information please refer to [www.gender-budgets.org](http://www.gender-budgets.org), or contact [nisreen.alami@unifem.org](mailto:nisreen.alami@unifem.org)*