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Improving Gender Targeting of Public Expenditures

A Guidance Note on How to Address Gender Considerations in Public Expenditure Reviews

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INTRODUCTION

This note provides pointers for public expenditure review (PER) teams to facilitate the integration of gender considerations as part of a review of public expenditures. It targets two stages of the public expenditure review process:

- Preparation of concept notes outlining the key analytical issues to be addressed in the PER
- Preparation of terms of reference (ToRs) for gender analysis of sector expenditure reviews.

The guidance note has been produced in the context of the project Improving Gender Targeting of Public Expenditures through Capacity Building. The project, funded by the Bank-Netherlands Partnership Program between July 2007 and December 2009, has supported several capacity building activities in the area of gender responsive budgeting in DRC, Liberia and Rwanda.

ENTRY POINTS FOR GENDER ANALYSIS IN YOUR PER

Gender issues form part of the broad objectives of assessing the distributional impact of a government's expenditure allocation (Who gets what?) and intersectoral use of public finances (What do sectoral agencies do with the resources they are allocated?). Both of these questions are crucial in answering the main objective of a PER: How do these expenditure allocations and patterns address government's overall poverty and development priorities? In most

of the Bank's client countries, gender equality is an important national goal. This is particularly so in some human development sectors (especially education and health). For several low-income countries, gender issues are also important in the agriculture sector. Finally, several government commitments toward achieving the Millennium Development Goals (MDGs) also emphasize the importance of examining resource allocations for MDG priorities, including the gender equality priority.

Therefore, gender issues need to be analyzed in several of the sections of a PER; however, a selective approach has proven successful in the past. Indeed, PERs in which the focus of the analysis is on fiscal sustainability offer less potential for gender analysis than others where the efficiency of sector expenditures or institutional issues are assessed.¹

The chapters that analyze efficiency of expenditures are those that offer a higher analytical potential to address gender issues and are those in which gender analysis can add most value. Thus, for example, an education sector PER whose objective is to analyze expenditure trends compared with

The rationale:
Better use of public expenditures to fight poverty and help achieve the MDGs!

1. Based on the experience of the project Mainstreaming Gender in the Saint Vincent and the Grenadines Public Expenditure Review.

educational outcomes is an ideal candidate. The education sector reviews that formed part of the DRC PER FY08 and Liberia PEMFAR FY08 provide good examples.

This does not mean that gender issues cannot be analyzed elsewhere in your PER. It all depends on the poverty focus of the PER, the objective of integrating gender analysis, and the resources available to conduct it. For example, a PER that wants to integrate gender in a comprehensive manner can try to answer this question: What are the key gender problems of the country, and are public expenditures being used in an efficient way to address them? The answer to this question will require analyzing expenditures across different sectors using a variety of techniques. (For an example of this type of approach, task team leaders (TTLs) can refer to the Saint Vincent and the Grenadines PER conducted in 2004.² The next section offers some practical recommendations on how to integrate gender into your PER, using a selective approach.

A STEP-BY-STEP PROCESS TO INTEGRATE GENDER INTO THE DESIGN OF YOUR PER CONCEPT NOTE

Step 1. Ask these questions: What is the objective of undertaking gender analysis in the context of this PER? Why do you want to conduct gender analysis this time? There are several answers to these questions, including (but, by no means, restricted to) the following: to explore the gender impact of

The plan:
Be selective; otherwise, you run the risk of spreading too thin.
Two or three strong policy messages are already of great value...

specific public expenditures and to answer these questions: How are public expenditures distributed among men and women? Who benefits more from a particular/several public expenditure/s? Does a particular public expenditure contribute to closing or widening gender gaps in a sector? And so forth.

- **Ask for the help of sector specialists on your team.** Early on in the process of concept note preparation, an upstream discussion among the PER team about how gender fits into the poverty and equity/distributional aspects of public expenditures and how to approach it in the PER can help identify priority areas of analysis.

Step 2. Identify gender and public expenditure issues for analysis. As mentioned above, selectivity works better, especially in the light of limited resources for data collection and analysis. Within the chapters that analyze efficiency of public expenditures, the selection of areas of gender analysis can follow these criteria: (a) areas of public policy where gender analysis is susceptible to offering important insights on how to improve efficiency of expenditures (based, for example, on different access/use of public services by men and women); and/or (b) areas/sectors/issues where important gender gaps exist and are susceptible to be addressed through public policy, and/or (c) client government priorities in the areas of gender and overall development priorities.

- Who is your counterpart for gender analysis in a PER? Gender issues become more explicit and tangible, the more sector-specific they are. Therefore, in addition to the Ministry of Finance, the relevant line ministry, depending on the areas of analysis selected (for example, education, agriculture, and health) as well as the ministry responsible for implementing or coordinating

2. World Bank. 2005. "Saint Vincent and the Grenadines: OECS Fiscal Issues: Policies to Achieve Fiscal Sustainability and Improve Efficiency and Equity of Public Expenditures." Report 30885-SVG, Caribbean Country Management Unit and Poverty Reduction & Economic Management Unit, Latin America and the Caribbean Region, World Bank, Washington, DC. <http://go.worldbank.org/PCP9P49FE0>. (See chapter 8 on Gender.)

the country's gender equality goals and tracking the implementation of MDG 3, should all be at the discussion table!

Step 3. Select the tools/techniques of analysis to answer the questions identified for analysis. Here are some examples: (a) gender-disaggregated benefit incidence for an overview/diagnostic of overall gender inequalities in the distribution of expenditures in a sector; (b) gender-aware demand analysis for scrutiny of the impact of particular expenditure decisions on men's and women's use of services; (c) program evaluations to address institutional issues leading to more efficient use of particular public services/expenditures of special importance to address gender issues (for example, reproductive health); (d) impact of public expenditures on time use to assess the impact of a particular expenditure on men's and women's time burden and time poverty; and so forth. (For further reading on any of these techniques, see references in handouts 1 and 2 at the end of the guidance note).

The analytical tools:
No need to reinvent
the wheel...four critical
tools that probably you
already knew about!

Step 4. Identify your data-gathering strategy. Different questions and different gender budgeting analysis techniques require different data (see handout 3). However, most of them will require some type of budget data and some sex-disaggregated data on users of public services. Obtaining the latter is not always straightforward but here are three strategies:

- **Exploit what you have.** Many household surveys collected regularly in many countries already contain a great deal of sex-disaggregated information on the use of key services such as health, education, agriculture services, and so forth. Some of them even collect sex-disaggregated data on time use; therefore, a review

The data:
Exploit those that
exist first!

of the most recent sources is the first step to identify data resources. Usual suspects include the national household/living standard measurement surveys, the national census, the national health and demographic survey, the national agricultural census, surveys similar to the Core Welfare Indicators Questionnaires, and so forth. Depending on the sector, sector institutions keep records of their beneficiaries/users disaggregated by sex (this is common in education and sometimes can be found for social protection beneficiaries, but it is less common in health, agriculture, infrastructure, etc). A review of sector statistics is

therefore a second important step to identifying key sex-disaggregated information. Overall, it is extremely important to fully exploit all the information available. Surveys that are used as the basis of public expenditure analysis in the PER and that may seem not to have relevant gender information, when looked at under a gender lens, can provide useful data. So do not hesitate to ask for the advice of a gender specialist to do a preliminary assessment of your data resources.

- **Integrate gender data needs into the design of other PER data-gathering instruments.** Many public expenditure reviews collect their own data through citizen surveys, public expenditure tracking surveys, and other specific sector or general surveys. If done earlier in the design of the survey instrument, breaking down data by sex or adding specific questions to address pertinent gender issues may not increase the cost of a survey that much.
- **Implement your own gender-focused survey.** Although the most costly data collection strategy, this option allows you to obtain information to assess particular gender issues when you cannot obtain it through other sources.

Step 5. Plan your resources. Once you have your gender-analysis plan (steps 2–4), you need to identify the resources necessary to implement it (mainly the expertise that you need to conduct the analysis):

The technical resources:
An opportunity to build local capacity!

- First, you need to assess the level of gender-analysis skills within your existing PER team. In many instances, if you plan to do only gender-disaggregated benefit-incidence analysis of certain expenditures, your sector economists will probably be able to apply the technique. However, it is recommended that you, as the TTL, ensure that the interpretation of the results from a point of view of gender is adequate and that the data are exploited to the maximum. In many PERs, there is important “gender-related evidence” scattered throughout the different parts of the analysis. A proper analysis of such evidence can provide important gender policy messages that otherwise would go unmentioned. Looking for advice from a gender specialist as an advisor/reviewer at this latter stage may be a good option in this type of situation.
- Second, if necessary, **bring additional expertise**, such as gender economists/consultants, as PER team members or as advisors. This will involve the drafting of ToRs for the members of the team, but these will easily follow from your concept note if you have followed the step-by-step process suggested in this note. Handout 3 presents an example of ToRs to conduct gender-disaggregated BIA in agriculture.

Dissemination:
Make sure the results of your analysis get to those who can use them!

- Third, given the relative novelty of this approach, actual implementation is always an opportunity to **develop the technical capacity in the country**, and ideally a cadre of staff in the core ministries who have these skills

and can apply them in a follow-up activity. The gender specialists who are hired to conduct the analysis should work closely with these counterparts, and capacity-building workshops and discussions should be included in the tasks for completing the analysis.

Step 6. Dissemination. Prior experience in integrating gender into PERs shows that dissemination of results tends to be the weakest link in the process. Therefore, it is never too early to plan your dissemination strategy and ensure that gender is properly included and the right stakeholders targeted.

From the point of view of gender, it is essential to target **policy makers and mid-management in line ministries**. Because gender issues are crosscutting in nature and policy action will probably require a response from different institutions, it is important to widely disseminate the results to all the relevant ministries/sectors. Also, wherever **Parliamentary women’s caucuses** exist, results should be shared with them. Similarly, if there are opportunities for wider dissemination, **women’s organizations**, especially those who are economics-literate or active in public sector reform or GRB, should be targeted.

Handout 1 Data Requirements to Conduct Gender Analysis of Public Expenditures

| Data needs | | | | | | |
|---|---|--|---|--|--|---|
| Type of analysis/technique | Budget data | Sex-disaggregated data | Source/strategy to obtain the data | Example of results using the technique | Analytical/policy application | Further reading |
| Gender-disaggregated benefit-incidence analysis | Sector expenditures (for example, primary school expenditures) | Sex-disaggregated data on the use of public service under analysis (for example, primary enrollment by sex) | Household surveys Sector statistics | Males consume almost 70 percent of public education expenditures, while females consume the remaining 30 percent. ^a | To identify gender gaps/inequalities in public expenditure allocations in a sector It helps to identify whether public expenditures contribute to increasing or decreasing gender inequalities in a sector. It can suggest the gender impact of supposedly gender-neutral budget cuts (Budlender et al. 2002). | (Budlender et al. 2002) |
| Gender-aware demand analysis | Characteristics of the service (for example, school fee, distance to school, number of female teachers, and so forth) | Sex-disaggregated data on the use of public service under analysis (for example, primary enrollment by sex) | Household surveys Provider surveys Community surveys | In rural India, providing midday meals in schools raises the female enrollment probability by 15 percentage points. ^b | To analyze the impact of specific public spending on men's and women's use of public services For example, we might want know if the demand for girls' schooling is more or less responsive than that of boys to specific improvements in school quality. If it is and if the context is one where girls are disadvantaged in education relative to boys, then investments in quality would be a policy lever for reducing the gender gap (Glick, Rumki, and Younger 2004). | (Glick, Rumki, and Younger 2004) |
| Gender-disaggregated impact of the budget on time use | Public expenditures under analysis (for example, water investment) | Sex-disaggregated data on individual time use (for example, time spent by men/women and boys/girls collecting water, doing domestic tasks, and so forth) | Household surveys that include time-use modules Time-use surveys | In Pakistan, closer access reduces the time that a woman allocates to water collection, and her time in income-generating activities increases, while her overall burden of work falls. ^c | To analyze how changes in government resource allocation have impacts on the way in which time is spent in households. This technique analyzes the impacts of a public investment on men's and women's time use, and therefore the implications of public expenditures on men's and women's time poverty. It also helps answer the question of whether a proposed cut is likely to increase the time that men and women spend on unpaid-care provision. | (Budlender et al. 2002) (Glick, Rumki, and Younger 2004) |

Sources: Own elaboration.

Notes: a. World Bank. 2008b. "Liberia's Public Expenditure Management and Financial Accountability Framework." Draft report, World Bank, Monrovia. b. Dreze and Kingdon (2001), cited in Glick, Rumki, and Younger (2004). c. Ilahi and Grimard (2000), cited in Glick, Rumki, and Younger (2004).

Handout 2 Selected Resources on Gender-Responsive Budgeting for World Bank and Government Staff Working on Public Expenditure Reviews

There is a vast literature on the topic of gender-responsive budgeting (GRB). The following list presents a selection of resources aimed at World Bank and government staff working on public expenditure reviews who want to expand their knowledge of GRB with a view to potentially including GRB analysis in their PERs. This selection is meant as a stepping stone in the process of strengthening capacity to conduct gender budgeting analysis. For a broader picture of the literature, the 'Gender Responsive Budgeting' Web page (www.gender-budgets.org) is an excellent source.

Gender Analysis of Public Expenditures

Glick, P., S. Rumki, and S. Younger. 2004. "Integrating Gender into Benefit Incidence and Demand Analysis." Cornell Food and Nutrition Policy Program, Cornell University, Ithaca, NY. <http://siteresources.worldbank.org/INTGENDER/Resources/BenefitIncidenceandDemandAnalysis.pdf>.

World Bank. 2005. "Saint Vincent and the Grenadines: OECS Fiscal Issues: Policies to Achieve Fiscal Sustainability and Improve Efficiency and Equity of Public Expenditures." Report 30885-SVG, Caribbean Country Management Unit and Poverty Reduction & Economic Management Unit, Latin America and the Caribbean Region, World Bank, Washington, DC. <http://go.worldbank.org/PCP9P49FE0>. (See chapter 8 on Gender.)

Gender Analysis of Revenue

Barnett, K., and C. Grown. 2004. "Gender Impacts of Government Revenue Collection: The Case of Taxation." Economic Affairs Division, Commonwealth Secretariat, London. <http://www.gender-budgets.org/content/view/271/245/>.

Esim, S. 2000. "Impact of Revenues on Poverty and Gender Equality: A Gender Analysis of Budgetary Processes." International Center for Research on Women (ICRW), Washington, DC. <http://www.gender-budgets.org/content/view/158/153/>.

Gender-Responsive Budgeting Initiatives

Budlender, D. 2001. "Gender Responsive Budget Initiatives Brochure." United Nations Development Fund for Women (UNIFEM), New York. <http://www.gender-budgets.org/content/view/443/153/>.

Budlender D., D. Elson, G. Hewitt, T. Mukhopadhyay, eds. 2002. "Gender Budgets Make Cents: Understanding Gender Responsive Budgets." Gender Affairs Department, Commonwealth Secretariat, London. <http://www.undp.org/women/CD-Gender-and-Budgets-2004/Budgets%20CD%20section%202/2c%20Gender%20Budgets%20makes%20cents.pdf>.

Budlender, D., and G. Hewitt. 2003. "Engendering Budgets: A Practitioners' Guide to Understanding and Implementing Gender-Responsive Budgets." New Gender Mainstreaming Series on Development Issues, Commonwealth Secretariat, London. <http://www.undp.org/women/CD-Gender-and-Budgets-2004/Budgets%20CD%20section%205/5a%20Engendering%20budgets.pdf>.

Handout 3 Sample Terms of Reference for Gender Analysis of Public Expenditures in Agriculture

I. Background

The World Bank and the Government of Rwanda are undertaking a Review of Public Expenditures. As part of the public expenditure review (PER), the government has requested that gender analysis of public expenditures be conducted in the area of agricultural subsidies. The paper produced under this assignment will provide the main background document for the chapter on gender analysis of public expenditures in Rwanda's PER and will be a key input for discussion at a workshop on gender and public expenditures in Rwanda.

II. Objective and Description of the Consultancy

The objective of this assignment is to analyze the impact of fertilizer subsidies on male and female tea producers in Rwanda. The consultant will undertake gender-disaggregated benefit-incidence analysis of spending on fertilizer for tea production. This technique combines the cost of providing public services with information on their use (by men and women) to generate distributions of the benefits of government spending along gender lines. First, the consultant estimates the unit cost of providing a particular service—this is usually based on officially reported public spending on the service in question. Second, this unit subsidy is “imputed” by the consultant to individuals who are identified as users of the service. Third, the consultant aggregates individuals into gender-disaggregated subgroups of the population to compare how the subsidy is distributed across such groups. The most common grouping is by income or by a related measure of the welfare of the individual. If data exist, an estimate of household out-of-pocket spending on public services will also be derived to have a complete accounting of benefit-incidence analysis.

The analysis will be based on data from the Survey of Tea Producers and the Rwandan Integrated Household Living Conditions Survey (RLCS), which was conducted between October 1999 and July 2001.

III. Deliverables

The consultant will produce a report analyzing the gender impact of fertilizer subsidies. The report will include a series of tables summarizing the incidence of spending on men and women, a summary write-up of the results, and policy recommendations. To the extent that information is available, the report will also discuss the issue of differences in productivity between male and female tea producers.

IV. Consultant Qualifications

- PhD or Master's Degree in Economics, with proficiency in statistical analysis of household data
- At least one consultant will have experience in conducting gender analysis
- Excellent writing skills

Timeline and Length of Contract

This contract is for 30 days. A first draft of the chapter will be produced by _____, with the final draft to be completed by _____.

For more information about integrating gender in Public Expenditure Reviews
please visit <http://www.worldbank.org/gender>



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