

# WIDE

*Globalising Gender Equality and Social Justice*

## ***Financing for gender equality and women's empowerment***

### **WIDE position statement for the fifty-second session of the Commission on the Status of Women (CSW)**

#### **Who is WIDE?**

WIDE is a European feminist network of women's organisations, development NGOs, gender specialists and women's rights activists that monitors and influences development and economic related policy and practice from a feminist perspective. WIDE has 11 national platforms and 1 regional platform (CEE/CIS) in Europe.

WIDE strives for a world based on gender equality and social justice that ensures equal rights for all, as well as equal access to resources and opportunities in all spheres of political, social and economic life. The vision of WIDE is that the persistently increasing trend of the feminisation of poverty in the South, East and North is halted and women's human rights are safeguarded globally.

WIDE's mission is to articulate the relevance of the principles of gender equality and equity to the development process through research, documentation, information dissemination, economic empowerment, capacity building and advocacy, networking, and the organisation of conferences.

#### **WIDE's concerns around "financing for gender equality"**

##### *Policy coherence for sustainable development*

The period of UN conferences (1990s), which focused on the critical elements of poverty reduction, environmental sustainability, and gender inequality yielded many outcome documents leading to international consensus towards a renewed and reinvigorated world wealth. The world's attention was acutely focused on eliminating the most distressing elements of human misery. In 2000, many of these outcomes were once again reformulated into an overarching consensus on international development targets in the form of the Millennium Declaration, with a "Road Map" for implementing these commitments that focused on eight "Millennium Development Goals (MDGs)". Although the women's movements welcomed and recognised the potential of the MDGs, it was felt the MDGs seek to solve critical problems without adequately addressing the roots of these problems. Thus, by prioritising some areas, the MDGs minimised key elements of the UN conferences of the 90s, from Beijing, Copenhagen, Cairo, Vienna, and Rio<sup>1</sup>; which meant important progress for the gender equality and women's empowerment agenda.

In the context of the MDGs, in 2002 the UN member states attempted to integrate trade, monetary and financial matters into a consolidated framework that would yield better developmental results by formulating the Financing for Development's Monterrey Consensus (FfD-MC). In addition, a series of reform initiatives have been introduced in different bodies, such as the 2005 Paris Declaration on Aid Effectiveness and the debt sustainability framework which would work synergistically with the poverty reduction strategy approach (OECD-Development Assistance Committee –DAC-, World Bank –WB-). From the trade side, in response to rising tensions about trade liberalisation under the World Trade

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<sup>1</sup>UN IV World Conference on Women, Beijing, 1995; UN World Summit for Social Development, Copenhagen, 1995; UN International Conference on Population and Development, Cairo, 1994; UN Conference on Human Rights, Vienna, 1993;; UN Conference on Sustainable Development, Rio, 1992.

Organisation (WTO), the Doha Development Agenda (DDA, 2001) was promulgated to address the development dimensions of trade.

Without a doubt the key elements and components of these processes are linked, to different degrees, to highly controversial elements such as policy conditionality, policy coherence and policy dialogue that need to be addressed.

#### *Gender equality concerns around policy coherence*

There are many discussions and calls for policy coherence within the different institutions (the WTO, the United Nations Conference on Trade and Development (UNCTAD), the Monterrey Consensus, etc.). Yet, policy coherence is not necessarily the missing link in debates around aid, debt and trade reform. In fact, the problem may be that there is already too much policy coherence dominating creditor, donor and trading partner relationships, on the basis of the Washington Consensus (uniformly applied by the International Monetary Fund –IMF–, the WB and the G8<sup>2</sup> donor and creditor nations). The policy coherence that has been behind the Washington and Post Washington Consensus is singularly market driven policies of market liberalisation (goods, services and finance), de-regulation and trade liberalisation. The problem today is that the model has not worked: neither significant growth nor poverty reduction has occurred for the vast majority of people.

In addition, neglect of the gender dimension of inequalities in our societies has contributed to the lack of progress towards peoples' livelihoods. It is widely recognised that gender neutrality does not exist in any area (family, labour market, politics, economy, culture, etc.). The assumption that there will be no (or hardly any) cost to adapt to macroeconomic policies is simply wrong. Often what happens is a shift of costs from the paid to the unpaid sector, being women the most damaged. The connection between paid and unpaid work is still ignored as well as the effects that macroeconomic interventions can have on households. It is assumed that the capacity of private households, and therefore the work of women, is elastic. Thus, increased economic effectiveness often take place by increasing the workload of women and the hardship of families that in many cases even leads to increased violence against women and the break up families. Human adjustment factors such as human resources are usually neglected.

WIDE believes that development, as well as gender equality and poverty and inequality eradication objectives must be the catalyzing forces for all policy interventions. It is only from such a starting point that sustainable development and social justice can be assured. Thus policy coherence cannot continue to simply rationalize the policy approach of the Bank, the Fund, the WTO or the donor community.

#### *WIDE demands:*

- Policy coherence should be based on the adherence to International Human Rights frameworks, paying particular attention to areas of conflict, synergies and overlaps. This would mean ensuring 'a critical and socially progressive linkage between social policy, macroeconomic policy and development'—where ultimate ends are poverty eradication, gender equality, human development and environmental sustainability. In making progress towards gender equality and women's empowerment, special attention should be given to frameworks like the Beijing Platform for Action (BPfA) or the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).
- Coherence needs to be grounded in warding off the contradictory impacts of different policies on developing countries. Therefore, Governments should promote the analysis, from a gender perspective, of policies and programmes - including those related to macroeconomic stability, structural adjustment, external debt problems, taxation, investments, employment, markets and all relevant sectors of the economy - with respect to their impact on poverty, on inequality and particularly on women; assess their impact on family well-being and conditions and adjust them, as appropriate, to

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<sup>2</sup> Composed by Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States.

promote more equitable distribution of productive assets, wealth, opportunities, income and services (BPfA, A1/58/b); prior, during and after introduction of such policies.

- Pursue and implement sound and stable macroeconomic and sectoral policies that: are designed and monitored with the full and equal participation of women; encourage broad-based sustained economic growth; address the structural causes of poverty; and are geared towards eradicating poverty and reducing gender-based inequality within the overall framework of achieving people-centred sustainable development (BPfA, A1/58/c).
- On the Monterrey Consensus process: gender equality must be recognised as a development goal in itself and fully integrated into all fields of action, implementation and monitoring. Matters of economic policy orientation, of trade, investments, debt-reduction etc. must be thoroughly reoriented from a consistent and comprehensive gender-perspective. Gender must be released from the “social niche” and women must become key actors in defining the development process. Women are by their remunerated and unremunerated work contributing decisively to the welfare of all societies, therefore the unpaid care economy must be integrated into the economic analysis.

### Gender-responsive budgeting

Despite commitments of governments all over the world to gender equality and women’s empowerment, often they do not translate into sufficient allocation of needed resources. The report of the experts meeting in Oslo<sup>3</sup> mentions that *government budgets are the largest single source of financing for gender equality and women’s empowerment for most countries, as it is through national and sub-national budgets that governments promises are translated into practical policies and programmes*. However, budgets have largely inherited the failure to acknowledge the different circumstances women and men face, and their differentiated needs. First and foremost budgets fail to address gender equality issues such as the unpaid care economy and its link to public finance, or women’s informal work.

The use of gender-responsive budget can delivery a variety of results, as shown in the cases of Chile and Brazil prepared for WIDE by Florence Raes<sup>4</sup>: enhanced accountability of governments to gender equality and women’s rights, increased transparency, participation and social control over budget processes, as well as, policy effectiveness, cost-efficiency and women’s empowerment through qualified participation in macroeconomic policy debates. Like in the case of Brazil, they help build bridges between the agenda of gender equality / women’s rights and democratic governance.

In various countries, gender advocates have taken the opportunity of the growing trend towards results-based budgeting systems to link their demands to budget processes and allocations. But, if performance budgeting and measurements can support the identification of gender gaps, it should be reminded that these systems are often introduced in a context of privatisation of public services where emphasis is given to criteria of economy and efficiency over notions of effectiveness towards equality and where women overwhelmingly bear the burden of so-called economies. Gender sensitive budget exercises should not be limited by other policy priorities.

Gender sensitive budgets are political processes. Therefore, to avoid risks of diluting gender equality, it is crucial to broaden ownership and support policy dialogue. Thus, women’s participation is fundamental to ensure that the diversity of women’s interests is represented, and that these initiatives do not become mere technical exercises. The lessons learned from Brazil and Chile and many other countries point out that it is equally important to develop comprehensive, systematic and participatory, quantitative and qualitative, monitoring systems and to strength the production of sex-disaggregated and gender-related

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<sup>3</sup> Division for the Advancement of Women (DAW): *Financing for gender equality and the empowerment of women*. Oslo, Norway, 4-7 September 2007.

<sup>4</sup> Raes, Florence (2006). [What can we expect from gender sensitive budgets? Strategies in Brazil and in Chile in a comparative perspective](#). WIDE: Brussels, Belgium.

data and information, including gender-aware performance measures and indicators and a solid know-how about feminist economics.

However, challenges will remain if governments include gender equality measurements into public budgets without making efforts to account for women's social and economic contributions through unpaid work. Gender budgeting will fall short of fulfilling promises to improve women's life. In a context of increased marketisation of goods and services and of results-oriented reforms of public administration, gender sensitive budget analysis highlights the monetary and non-monetary costs of gender biases at work in existing macroeconomic paradigms and policies.

#### *WIDE demands:*

- The enhancement of women's participation as actors, inside and outside of government, in macroeconomic policy formulation and implementation in all phases of the budget cycle, what requires: sufficient resources to enable gender / women's rights experts to take the lead in capacity-building and monitoring of gender mainstreaming in budgets;
- The strengthening of quantitative and qualitative sex-disaggregated and gender-related specific data collection and analysis to monitor changes in gender relations (BPfA, H3);
- The allocation of resources for implementation of gender-responsive budgeting, including building national capacity, the necessary know how and ownership of government, civil society and parliamentarians with regard to effective planning, implementation, and monitoring / tracking;
- The development of performance indicators to measure progress in introducing and implementing gender-responsive approaches to public finances;

#### *Bilateral and Multilateral aid*

The FfD Monterrey Consensus tackles the broad issues of development financing with the aim to eradicate poverty, achieve sustained economic growth and promote sustainable development as it advances to a fully inclusive and equitable global economic system. Parallel to it, but complementary, the Paris Declaration on Aid Effectiveness (PD) aims to reform the delivery and management of aid, and is driven by the need to meet the MDGs, especially in the area of poverty and inequality reduction. Both processes seek to bring better relationship between the donor community and the developing countries, by paying careful attention to policy coherence, policy conditionalities and policy dialogue.

Despite the potential improvements, civil society organisations contend that the Paris Declaration remains an unjust and unequal framework for understanding and implementing the aid effectiveness agenda. While one of the three objectives of the preparatory process towards HLF 3 is to build ownership around the Accra agenda and process, the institutional ownership clearly rests with OECD-DAC and to a lesser extent with the World Bank. Neither partner governments nor CSOs have an equal standing within these frameworks. Further concerns relate with the fact that, the Paris Declaration is gender blind, and as a result, fundamentally flawed.

An analysis of the five principles of the PD raises the following concerns<sup>5</sup>:

- Ownership: country ownership of development programmes should not be equated with "government" ownership. Citizens, CSOs, including women's organisations, should be involved in the formulation and delivery of development policies and programmes.
- Alignment: as donors "align" aid with national budgets, and with aid mainly being channelled from government to government, if gender equality, human rights and environment are not an explicit

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<sup>5</sup> Alemany, C. and Craviotto, N. et al. (2007). Implementing the Paris Declaration: Implications for the Promotion of Women's Rights and Gender Equality. Canadian Council for International Cooperation: Ottawa, Canada.

national priority, there's a risk for those issues to be excluded. There is also a risk that fewer aid resources will be available to support the work of CSOs, and particularly women organisations.

- Harmonisation: it is easy to see how “harmonising” donor policies could lead to a strengthening of conditionalities, such as the imposition of certain economic and trade policies. There is also a risk that harmonisation will result in a too narrow framework (based on the policies of the least progressive donor) and thus a reduction of the development agenda.
- Managing for results: human and women’s rights principles and the legal obligations of donors and governments should be used to determine the effectiveness of policies and approaches – particularly their impact on vulnerable groups.
- Mutual Accountability: the principle of mutual accountability, where donor countries, recipient countries and citizens should be able to hold each other to account for their development commitments, can only be truly possible where strong, independent, and well resourced civil society and women’s rights organisations exist.

The PD relies on a range of “new” aid modalities, including budget support, sector wide approaches, poverty reduction strategy papers, basket funding and joint assistance strategies. Across the board, these modalities raise concerns in terms of the possibilities for meaningful civil society participation in influencing development plans and funding for development, limited capacities to play an informed role in shaping and monitoring budgets and persistent conditionalities imposed by donors that override national development interests, and fears that “country ownership” in contexts of lukewarm political commitment to gender equality will translate in far-reduced donor support for women’s rights<sup>6</sup>. In addition, it cannot be automatically assumed that donors’ concern with good governance and financial accountability will have a benign impact on social goods and gender equality. In fact the new modalities, by themselves, are not gender neutral or socially friendly but they have to be en-gendered and social.

Civil society organisations have expressed serious concerns about PD monitoring plans, particularly the reliance on World Bank evaluation mechanisms and the absence of independent ways to measure the implementation of the PD Principles. Women’s organisations are concerned with the fact that no gender equality indicators are included. A more holistic approach is essential, that is, one that integrates parallel efforts (such as those by several donors to analyse in depth the relationship between aid effectiveness and gender equality) as part of the monitoring of the impact of the Paris Declaration<sup>7</sup>.

#### *WIDE demands<sup>8</sup>:*

- Gender equality and women’s empowerment must be recognized as crucial goals for development effectiveness.
- Governments, regional and multilateral organizations must interpret the terms of national country ownership as democratic ownership and elaborate on its implications in the context of countries’ obligations to international Human Rights law, including women’s rights and gender equality as formulated in BPfA and CEDAW.
- Governments must prioritise and financially support the strengthening of national public awareness about the PD and the centrality of gender equality, and recognize the role women’s rights organizations can play at the local and national levels in reaching out to and reflecting the voices of the public.
- All relevant actors must commit to the highest standards of openness and transparency:
  - Donors and international financial institutions should deliver timely and meaningful information, adopt a policy of automatic and full disclosure of relevant information about their

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<sup>6</sup> Idem.

<sup>7</sup> Idem.

<sup>8</sup> Based on the set of preliminary recommendations that came out from the International Consultation of Women’s Organizations and Networks and Aid Effectiveness, convened by AWID and WIDE, in Ottawa, 31<sup>st</sup> January – 1<sup>st</sup> February 2008.

- compliance to basic international agreements on gender equality, and submit to the norms and direction-setting of the United Nations (UN).
  - Developing countries' governments must work with elected representatives, CSOs, including women's organisations, and citizens to set out open and transparent policies on how aid is to be sourced, spent, monitored and accounted for.
  - Diverse CSOs must also exercise accountability and continuously draw their legitimacy from their constituencies.
- Donor governments must provide transparent information on how Official Development Assistance (ODA) allocations correspond to policy commitments, and developing countries' governments have to provide transparent and publicly available budgets, that allows a critical engagement of gender equality / women's rights advocates.
- Existing and new ODA management review and performance assessment tools and measures must reflect a results-based monitoring and evaluation component with a special focus on how gender equality and women's empowerment targets as formulated in the BPfA and CEDAW are being met, in both donor and developing countries.
- improve the gender equality component in the current monitoring systems (i.e. PD) the use of baselines as well as input and output performance indicators of gender impacts in budgetary reporting must be promoted; and gender targets, inputs and outputs in national budgets and ODA must be specified.

#### *The UN Reform:*

Within the UN it is essential to strengthen the different mechanisms that have been put in place to deliver on many of the important commitments on gender equality and women's rights made in several occasions, last but not least in the BPfA. Currently the UN has several small very under-resourced agencies focused exclusively on women's issues (UNIFEM, DAW, OSAGI, INSTRAW) and other larger agencies sometimes do important work on women's human rights and gender equality, but it is a small part of their mandate, and often receives low priority. None of the specific 'women's agencies' can participate in the decision making at the highest levels within the UN.

WIDE<sup>9</sup> actively supports the campaign for Gender Equality Architecture Reform and together with many other women organisations calls on member states of the UN to act now:

- Current women's agencies should be brought together in one entity that is much better resources. This new entity should continue all the functions of the current bodies and also promote gender mainstreaming by the integration of gender equality and women's human rights throughout the UN and especially in the UN Country Pilots and in all UN reform processes.
- An Under-Secretary-General should head this entity for women, to ensure the necessary status required for representation and decision-making at the highest levels both in policy-development and program operations at the global and country levels. The new Under-Secretary-General post would provide higher level leadership than at present to more effectively drive the gender equality and women's empowerment agenda.
- A wide country presence and strong policy and programmatic mandate is essential for a strengthened UN entity for women to effectively improve the lives of women on the ground.
- Substantial and predictable resources are crucial to ensure that the new entity for women has the capacity to meet expectations and deliver results at all levels. It must be funded initially at a minimum level of \$500 million to \$1 billion USD with increases over time.

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<sup>9</sup> WIDE takes no position on the whole set of recommendations being discussed, but urges member states to move ahead with strengthening the gender equality, recognising that on the ground reform of the UN is already being taken up in the form of 8 pilot projects of 'one UN' that the UN initiated last year in 8 pilot countries.

- Accountability within the new entity for women, at both national and international levels must be promoted, including through meaningful involvement of civil society, in particular non-governmental organizations for women.

Strengthening the UN's gender equality machinery will better enable the UN and governments to deliver on promises made to advance gender equality and women's human rights at the global and county levels. WIDE calls governments to push forward for such reform and commit themselves to increased financial support to the UN women agencies in addition to increased financial support that can be accessed by women's organisations (see also issue 4).

### Funding the women's movement

WIDE call urgently for governments to allocate sufficient financial resources to gender equality and women's empowerment, as stated in the BPfA (A1/59/a). Governments should take furthering gender equality and women's rights as one of their priorities and allocate resources to this objectives in a way that it can be clearly monitored (how they are spent, their impact in terms of results and which goes to support women's organisations). Including gender equality as a cross-cutting issue, support mainstreaming of gender issues in the whole funded programmes, etc. has the danger of not being adequately followed up, leading to gender inequalities not being adequately addressed.

WIDE remind governments to allocate resources for women's rights in the South, East and West. Experience shows that this is needed at all levels, not only in development cooperation. Governments in Europe that have committed to increasing funding for women's rights, should ensure that it is accessible to all sorts of women's organisations, especially smaller ones and that women organisations can monitor and track the allocation and spending of the funds.

WIDE would like to draw the attention of donors on the situation of women's organisations in Eastern Europe<sup>10</sup> that is often forgotten. A new trend in funding became visible within the process of geo-political changes related to the EU enlargement in Eastern Europe. The CEE/CIS region, has been split in sub-regions in relation to their EU accession perspective and funding is mainly allocated following such divisions (EU, CIS, non-EU, developing countries etc). Due to the new divisions in the CEE/CIS, a number of regional networks, among which women's networks, have lacked available funds for continuing cooperation with women's NGOs from the entire region. A break in cooperation increased the gap and polarization between those living in 'developed' (i.e. EU members) and those living in the remaining parts of CEE/CIS.

For the Eastern European countries that are currently new EU member states (NMS) some new financing opportunities have emerged at the governmental level. However, such situation is threatening their independency and autonomy *vis-à-vis* their government positions, in influencing its gender equality legislation and policy. Sources coming from the European Commission (EC) are very challenging too: in a extremely competitive environment the Eastern European NGOs with little experience in complicated and lengthy application procedures have unequal chances compared to more experienced civil society from the 'old' EU. And the request to contribute of 20% (or more) of their own contribution to the EC projects becomes an overwhelming obstacle, taking also into account that Eastern European governments are not used to sharing project costs with the NGO sector.

On a broader context, the WIDE UK Gender & Development Network<sup>11</sup> research *Women's Rights and Gender Equality – The new Aid Environment and Civil Society Organisations*<sup>12</sup> reveals that many women's

<sup>10</sup> See Kinga Lohmann paper from Division for the Advancement of Women (DAW) expert meeting: *Financing for gender equality and the empowerment of women*. Oslo, Norway, 4-7 September 2007.

[http://www.un.org/womenwatch/daw/egm/financing\\_gender\\_equality/ExpertPapers/EP\\_13\\_Lohmann.pdf](http://www.un.org/womenwatch/daw/egm/financing_gender_equality/ExpertPapers/EP_13_Lohmann.pdf)

<sup>11</sup> See [www.gadnetwork.org.uk](http://www.gadnetwork.org.uk) to find out more about its work.

<sup>12</sup> For a copy of the report please go to the WOMANKIND website [www.womankind.org.uk](http://www.womankind.org.uk)

organisations and those focused on challenging gender inequality felt that their work is under threat as the focus of funding moves in the direction of larger grants, tighter, short term targets, demonstrable and 'scaled up' results, and intensive administration. While donors talk about gender, and do enable some good gender work at the level of policy and lobbying work in some countries, the key aid modalities do not currently prioritise or really address the needs of those organisations and social movements working to address gender inequalities and promote women's rights. Indeed, the research highlights many worrying signs that aspects of the new aid modalities are further marginalizing and excluding organisations committed to women's empowerment and the promotion of their human rights from reliable, long term funding.

*WIDE demands:*

- Governments and donors should commit adequate financial resources to support women's NGOs, this funding must be substantial, predictable, multi-year and core funding. As well as acknowledge the diversity among women's organisations and their critical contribution to the progress for gender equality and women's empowerment.
- Governments must ensure direct funding and establish clear mechanisms for the participation of women's rights organizations as part of civil society, particularly women from socially excluded groups, in all the national development planning processes and aid planning, programming, management, monitoring and evaluation.
- Donors need to systematically monitor the impact of changed funding streams, conditions and mechanisms on organisations working for gender equality and women's rights. In particular, governments and donors need to monitor the funding available to CSOs by governments and the impact such funding has on the organisations and the work.
- Increasing resources for women's movement in Eastern Europe is a vital and timely issue since financial situation of many women's NGOs in the region is rather dramatic. The "sandwich approach" toward Eastern European governments - a push from the top (by donor countries) - and the bottom (by women's NGOs) could be an effective tool provided if there are clear and strong donors' commitments to financing gender equality and women's human rights NGO programs (e.g. European Commission, Norwegian and European Economic Area (EEA) Financial Mechanisms).
- Donors, governments and CSOs need to track carefully what funds are used to support women's rights or to help women out of poverty in cooperation with gender sensitive donors. Hence, funding for such NGOs should be secured.
- The effect of the Paris Declaration and Direct Budgetary Support (DBS) on social development issues and rights, including how the impact of these mechanisms on civil society needs to be evaluated. It is an area where growing concern is evident but as yet data on what is actually happening is almost non-existent. Donors and governments need to ensure that special funds are available for gender equality work in each country to ensure it is addressed and that smaller, activist women's organisations are enabled to continue their work. They should request simplified detailed technical administrative requirements in the application for and implementation of structurally funded projects and take away obstacles (such as high levels of co-financing) that would make it really hard for women's organisation to participate in such call for funding.

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