Gender-responsive budgeting (GRB) brings together two topics that are not usually associated: gender equality and public financial management. Since the first gender budget initiatives in the mid-1980s, GRB has taken many forms but preserved its main goal: to apply a gender lens to public finance management institutions and practices to ensure that women and girls, as well as men and boys, get equal access to and benefit from public services. The rationale behind GRB is as simple as it is fundamental: equality is not achievable without a fair distribution of public resources, and there is no fair distribution when there is no recognition of unequal gender relations.

This issue of Focus on Gender aims at both presenting an overview of UN Women BiH most recent initiatives on GRB and providing clarity about the concept and potential of GRB in promoting gender equality and women’s empowerment. Particular attention is devoted to the gender-responsive budgetary analysis of the BiH governments’ measures to mitigate the consequences of COVID-19 pandemic. At the end of this brief, a set of recommendations is provided.
Gender budgeting is a “gender-based assessment of budgets incorporating a gender perspective at all levels of the budgetary process and restructuring revenues and expenditures in order to promote gender equality”. The purpose of gender budgeting is threefold:

- to promote accountability and transparency in fiscal planning;
- to increase gender-responsive participation in the budget process;
- to advance gender equality and women’s rights.¹

Public budgets are often difficult or are perceived as difficult to access by citizens. In most of the cases, it is hard for women and men to link their daily life as taxpayers with government budgets and to be aware how the government is spending public money and who benefits from it. GRB initiatives help demystify budgets by increasing awareness about the budget process, by improving public financial literacy and inspiring informed discussions about the budget. GRB initiatives, furthermore, raise awareness of the effects that budgets have on women and men and hold governments accountable for their commitments to gender equality.

Being able to read, understand, and use budgets may provide an important tool to engage in budget processes and advocate for better resource allocations.

The Sustainable Development Goals (SDGs) clearly highlight the importance of linking gender equality with financing for development. UN Women, together with the Organisation for Economic Co-operation and Development (OECD) and the United Nations Development Programme (UNDP), developed the SDG indicator 5.c.1, which measures government efforts to publish and track budget allocations for gender equality throughout the budget cycle.

¹ Gender budgeting, Council of Europe. 2005. Available at: https://bit.ly/3sr4TFm
At each budget step, different opportunities for GRB initiatives exist through an analysis that would address the following points:

- Describe the situation of women and men, girls and boys (and different sub-groups) in the sector;
- Check whether policies/activities are gender-sensitive, meaning do they address the situation that is described;
- Check that adequate budget/inputs are allocated to implement the gender-sensitive policy. Check whether the expenditure/outputs are spent as planned.
- Examine the impact/outcome of the policy and expenditure, meaning have they promoted gender equity as intended?²

What is not GRB:

- Gender-sensitive budgets are not separate budgets for women or men.
- GRB is not an additional line in budgets “for women”.
- Gender-responsive budgeting is not solely increasing spending on women’s programmes.
- Gender-sensitive budgets are not about 50% male - 50% female.
- GRB is not a system parallel to the regular budget process.
- GRB is not relevant only for some programmes (social, health, etc.).

GENDER-RESPONSIVE BUDGETING IN BiH – AN OVERVIEW

Gender-responsive budgeting has been identified as an important policy tool for advancing gender equality in key national documents, in accordance with the existing BiH national policy documents on social inclusion and gender equality. GRB aims to close the “implementation gap” that exists in countries like BiH, which have laws and policies in place to advance gender equality that are not fully implemented in practice.

The integration of GRB in BiH commenced in the mid-2000s with early efforts undertaken by the gender institutional mechanisms, international organisations and non-governmental organisations with strong support by UNIFEM at the time, and was closely connected to the public finance reform. In using the budget reform process as an instrument to advance gender equality, GRB was initiated as part of the regular budget planning and distribution practice, hence being mainstreamed and used as an analysis and control tool. More structured GRB-related activities and measures started when the UN Women Regional Office for Europe and Central Asia launched the first phase of the regional project Gender-responsive budgeting in South Eastern Europe: Advancing Gender Equality and Democratic Governance through Increased Transparency and Accountability. The project was implemented in four countries – Albania, Bosnia and Herzegovina, North Macedonia, and Serbia – in the period from August 2006 to June 2010. It was supported with funding from the Austrian Development Agency (ADA), Ministry of Foreign Affairs of Finland and Embassy of the Kingdom of the Netherlands.

In the years that followed, some of the key achieved results were:

- UN Women continued investment in capacity building and collaboration with the Ministry of Agriculture, Forestry and Water Management of Republika Srpska (RS), resulting in the growth of the share of absorption of agriculture budget in RS for women-headed households from 5.45% in 2014 to 6.5% in 2019. The supported programmes, which included co-financing from the Ministry of Agriculture, Forestry and Water Management of Republika Srpska, resulted in a significant increase of the number of requests of women’s associations for co-financing of specific business activities - by 39%, increase in the involvement of women in associations and cooperatives, establishment of 5 women cooperatives, establishment of a gender network and over 17% of the women owning the farms in RS.

- Over 100 Members of Parliament at state and entity levels and 150 municipal councilors from 21 municipalities increased their capacities related to gender equality and gender-responsive budgeting. An online course on GRB is available for 17,000 civil servants.

- Since 2012, the Budget Management Information System (BMIS) requires mandatory inclusion of GRB indicators in the programmes of all line ministries.


- The legislative framework of the Federation of BiH (FBIH) has been strengthened with: Budget circular no. 2 containing a detailed instruction on GRB indicators, results and measures; GRB has been integrated in the FBIH Law on Budget Execution, Article 37, FBIH Budget Framework Document 2021-2023, specifying the commitment of FBIH Government to meaningful gender mainstreaming in public finance management.
A new support cycle to strengthen the work hitherto done and ensure sustainability of the interventions on GRB started in 2020 through the regional programme Transformative Financing for Gender Equality towards more Transparent, Inclusive and Accountable Governance in the Western Balkans, funded by the Swedish International Development Cooperation Agency (SIDA). The main programme approach is transformative financing as an enabling factor for policy and financing actions to accelerate the implementation of existing national and international commitments on gender equality and women’s empowerment (GEWE). This is in line with national Sustainable Development Goals (SDGs), priority targets and the European Union (EU) accession process, as well as moving towards international commitments through the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), Beijing Platform for Action (BPfA), and UN Security Council Resolution 1325.

None of the gender equality and women’s empowerment commitments mentioned above can be implemented without intentional measures to incorporate a gender perspective in planning and budgeting frameworks and concrete investments in addressing gender gaps.

It is expected that the legal framework will be amended to include instructions on adoption of the budgets in programme format. Once the legal framework is updated, the budget users should receive relevant instructions on what GRB principles are and how GRB principles should be applied in budget planning and what evidence should be collected to measure its impact. Such policy guidance could be regulated through by-laws and support should be available to facilitate consistent application. Since the responsibility to apply GRB should lie with the budget users, it is important to recognise which opportunities exist in the legal framework which regulate how programming is conducted currently.
The support to GRB initiatives through UN Women supported project activities proved to be highly relevant in BiH, particularly during the current COVID-19 pandemic. GRB allowed for a thorough assessment of emergency policies and budget revisions from a gender perspective, in order to understand how policies and their allocated budgets impacted the lives of women and men and gender equality in general.

It is undeniable that the COVID-19 pandemic has been disproportionately affecting women, particularly women belonging to vulnerable groups, compared to men, and has deepened gender inequalities.\(^3\) The economic downturn caused by the COVID-19 outbreak has had substantial implications for gender equality, both during the pandemic and the recovery period. Compared to a “regular” crisis, the employment drop related to social distancing measures had a large impact on sectors with high female employment shares.\(^4\) In addition, closures of schools and daycare centers have massively increased childcare needs, which had a particularly large impact on working mothers.

According to the World Economic Forum’s *Global Gender Gap Report 2021*, as a consequence of the impact of the COVID-19 pandemic, closing the global gender gap has increased by a generation - from 99.5 years in 2020 to 135.6 years in 2021.

Data for BiH mirrors the unfavorable global trends. In spring 2020, UN Women BiH issued three Occasional Budget Briefs\(^6\) focused on the impact of the adopted revisions of budgets for 2020 on women and vulnerable categories in FBiH, RS and Canton Sarajevo. All three briefs showed that budget revisions were gender-blind and resulted in significant budget cuts that had a more adverse impact on women compared to men. The common conclusion from the three case analyses is that traditionally socially responsive sectors are more impacted by budget cuts.

More specifically, the Brief on Canton Sarajevo highlighted that although the cantonal government adopted the Operational Plan for the Implementation of Gender Action Plan of BiH for the period 2019-2021 in November 2019, the adopted budget revision did not reflect this commitment of the government.

In FBiH, sectors where budget spending is monitored in a gender-responsive manner were the most affected by cuts. For example, the budget of the Ministry of Development, Entrepreneurship and Crafts was cut by 79%, cuts at the Ministry of Labour and Social Policy amounted to 10%, at the Ministry of Education and Science, they amounted to 38%; at the Ministry of Culture and Sports they amounted to 27%; and at the Ministry of Environment and Tourism they amounted to 55%. Furthermore, the establishment of the Economic Stabilisation Fund served to pay contributions for minimum wages in the private sector. The outcome of such an action is merely a spillover of funds from section to section of the FBiH budget, from the Ministry of Finance to the Pension and Disability Insurance Institute (PIO/MIO), to ensure funds for the payment of pensions. Such measures benefitted the budget of FBiH, not the employers nor the employees.

The revision of Republika Srpska budget for 2020, similarly to the two previously mentioned, did not take into consideration the impact of the measures on women and vulnerable categories specifically. However, some of the undertaken measures might have been potentially positive for women, if designed and implemented in a socially responsive manner. For example, the proposed budget increase by 29% for the Ministry of Health and Social Welfare, an unchanged amount in subsidies for the support of agriculture and rural areas (75 million BAM), the grant for the development of tourism that increased from 700,000 to 1.08 million BAM, which are all sectors with strong presence and importance for women. Furthermore, UN Women noted that tourism represents a great potential for development while being a sector where women account for 50.8% of all employed persons in the segment of services in Republika Srpska.

---

According to UN Women BiH policy paper on gender-responsive budgetary measures from August 2020, the prevailing trend in designing and implementing COVID-19 related budgetary measures targeted business continuity and job retention, as in all previous crises. This crisis, however, proved very different. In addition to increased unemployment, job insecurity and struggling economy globally, this crisis shed a light on the different needs of men and women, grounded also in the sectors affected by the pandemic. For example, in healthcare, where the majority of workers are women globally. Data for BiH shows that 62% of doctors at public health institutions are women.7

Childcare is another sector in which a disproportionate share of burden continues to fall on women. Due to closures of schools and day-care facilities, because of COVID-19 containment measures, additional burden put on parents, largely mothers, is unrecognised by governments. Informal care provided by grandparents, other relatives, friends, or neighbours, is being discouraged or prevented by shelter-in-place orders to slow down the spread of the virus, with little room for alternative arrangements in the COVID-19 crisis.8

Moreover, in Bosnia and Herzegovina, women make the majority of unpaid family workers. While some 3.7% of employed persons self-declared as unpaid family workers in 2018, disaggregated by sex these percentages show that 6.3% were women and only 1.9% men. These persons are fully left out from the government emergency response. If other categories of informal workers are included, such as domestic workers, childcare workers, etc., tasks which are largely performed by women, the number of women neglected by the emergency measures grows substantially. And lastly, it is crucial to have punctual and reliable data on the impact of the pandemic. Unfortunately, the data made available by the BiH authorities in terms of the direct effects of the pandemic on men and women were untimely and inconsistent.

Traditional economics takes into account only the paid economy. From a gender perspective, a broader view on economic activities is important, including paid and unpaid work. Due to social gender roles, it is mostly women who are providing unpaid care and doing domestic work (childcare, caring for the elderly and sick relatives at home, cooking, cleaning, etc.). From a gender perspective, this unpaid care work is not only important for the lives and well-being of the dependents, it also needs to be considered as an important contribution to the functioning of the economy. This is why paying attention to the impacts of public expenditures and services on unpaid work is crucial. In the current system, the economy can only function because in households workers are nurtured, children raised and educated, sick people are cared for until they are able to go to work, social networks are maintained, which are of importance to the stability and a good climate in society - just to mention a few of the productive activities in the unpaid sphere of economy. Without such provisions of care and so-called “reproductive” activities in households and in the community, the economy would collapse.

UN Women BiH analysed the outcomes of COVID-related policy measures in agriculture in RS and in the social sector in FBiH in a research titled Budget Choices in a Time of Pandemic: Advancing Gender Equality or Holding it Back?9. The research showed that the primary goal of the introduced measures in both entities was to ensure business continuity and avoid further deterioration of the employment rate, while the main finding was that, in their response to mitigate the impact of COVID-19, BiH authorities did not take into account the different needs and jobs of women and men and that the implemented measures deepened the existing gender inequalities in Bosnia and Herzegovina.10

---

7 Udruženje specijalista javnozdravstvenih disciplina FBiH. Glas javnog zdravstva. 2017. Available at: https://bit.ly/3xTiHqV
Available data from FBiH and RS tax administrations for 2020 show that 60% of jobs lost in the FBiH and 70% of jobs lost in the RS belonged to women. At the same time, policy response to the job losses failed to acknowledge this fact. At a very early stage, governments on different levels in BiH undertook measures aimed at preventing the spread of the virus, which included the cessation of business activities for a large part of the population, with an expectation of severe economic effects.

In FBiH, the job retention scheme aimed at protecting employment and businesses in the form of subsidised social security contributions for the minimum wages for all (remaining) employees in the private sector, while the only eligibility criterion was a reduction of more than 20 per cent in turnover compared to the same months (April – June) in the previous year, as it was assumed that businesses facing smaller losses of revenue should be able to absorb the shock on their own. This can be considered too much of a myopic view of the shocks that businesses experienced because of the pandemic.

The eligibility criterion were also potentially more harmful to women than men. Under this criterion, a sole female entrepreneur who was on maternity or care leave during the observed months in 2019, would not be granted the subsidies, even though she had been ordered to close her business during the first three months of the pandemic in 2020. At the same time, this conditionality would not affect businesses where women in the same situation were regular employees, nor the large majority of men/fathers in the same family situation.

The sectorial analysis of agriculture subsidies in Republika Srpska showed that men benefited more from the increased funding for agriculture in 2020 in response to the crisis. Very small increases in funding for women were noted during the period 2014-2020, including an increase in funds received via subsidies for milk and wheat in 2020. Even with targeted support for rural women, there is still a long way to go to reduce the gender gaps in agriculture and related benefits from significant public spending in this sector.

The gender-neutral approach to designing measures to deal with the consequences of the COVID-19 pandemic reflects gender irresponsible policymaking. The lack of awareness of the gender effects of existing government policies undoubtedly leads to the introduction of emergency response measures that are even more harmful to gender equality and social responsibility. While it can be argued that both men and women benefit from gender-neutral measures, it has been demonstrated that the undertaken measures had a disproportionate impact on women.

The pandemic has shown that especially in times of crisis a gendered impact assessment is crucial, as it has been proven that women were disproportionately affected. This aspect would have otherwise remained invisible and unaccounted for. These data cannot be ignored and the governments at all levels can and need to transform this challenge into opportunity by ensuring that the gender-sensitive response is embedded by design into the recovery.
The regional programme *Transformative Financing for Gender Equality Towards More Transparent, Inclusive and Accountable Governance in the Western Balkans*, funded by the Swedish International Development Cooperation Agency (SIDA), is being implemented in Albania, BiH, Kosovo\(^\text{11}\), Serbia and North Macedonia from 2021 – 2024.

The overall objective is that Western Balkan countries systematically integrate gender equality and become more transparent at all stages of national and local policymaking and budgeting processes.

**THE IMPLEMENTATION APPROACH**

**National and entity level (BiH, FBiH and RS)**

- Building capacities of project partners for applying gender-responsive budgeting to integrate gender equality principles in public finance management.
- Developing capacities, technical support and mentoring of stakeholders to strengthen accountability and transparency of budgeting processes, ensuring alignment with the needs and interests of women and men.
- Contributing to strong and functional gender mechanisms to ensure the systematic integration of GRB in budget processes.
- Support the institutionalisation of GRB training through BiH, FBiH and RS agencies for civil servants, to ensure sustainability.
- Support advocacy initiatives for gender-responsive policies and budgets.

**Local level**

- Promoting GRB as a tool to enable local governments and municipalities to recognise the value and potential for local development and inclusive growth by investing in gender-responsive local programme and services.

**Oversight**

- Building capacities of oversight institutions (audit offices and parliaments) to strengthen their roles in ensuring accountability and budgetary monitoring with gender lenses.
- Sensitising media on the impact of budgets on gender equality and wellbeing of women and men.
- Public awareness raising on financing for gender equality.

---

\(^{11}\) For UN Women, references to Kosovo shall be understood to be in the context of UN Security Council resolution 1244 (1999). For the European Union, this designation is without prejudice to positions on status, and is in line with UN Security Council resolution 1244 (1999) and the ICJ Opinion on the Kosovo declaration of independence.
RECOMMENDATIONS FOR ACTION

GOVERNMENT

Continued capacity building with a focus on Ministry of Finance staff and line ministries, to analyse gender impacts of proposed programmes and to properly link the budget cycle and gender equality commitments.

Address capacity gaps systematically and through continuous technical assistance in order to ensure that programme budgeting is practiced in a way that addresses the needs of both women and men.

Governments’ newly planned budget allocations should be transparent and based on a gender-sensitive assessment of priorities that would allow for an efficient combining of budget and non-budget resources in the pandemic recovery period. This is particularly relevant for the planned international assistance, as well as when defining criteria for assistance to businesses.

Support the institutionalisation of GRB training through BiH, FBiH and RS agencies for civil servants, to ensure sustainability.

Governments at all levels need to reflect their gender equality commitments in their recovery policies.

INTERNATIONAL COMMUNITY

Encourage the government to respect its national and international commitments on promoting gender equality which should be the criterion for eligibility for international cooperation programmes negotiated with the government of Bosnia and Herzegovina.

Ensure a gender-sensitive analysis of researched issues and collection of sex-disaggregated data to support the local government to systematically track gender equality allocations and the ability to use the data to inform budgetary decisions. This measurement challenge is one that affects many countries and requires support and collaboration with statistical offices to address the gap.
LOCAL GOVERNMENTS

Apply GRB as a tool to recognise the value and potential for local development and inclusive growth by investing in gender-responsive local programmes and services.

MEDIA

Inform the public about the budgetary calendar: planning, preparation and execution at all levels, while applying a gender lens.

Inform the public about research/reports on the impact of budgets on gender equality and wellbeing of women and men.

Report on the work of national and international governmental organisations and CSOs on initiatives promoting gender equality and women’s empowerment.

Raise public awareness on financing for gender equality.