

# Parliament and the Budgetary Process, Including from a Gender Perspective

*Regional Seminar for ASEAN+3 Parliaments*

23 to 25 July 2002, Manila (Philippines)



# Foreword

Government budgets provide a comprehensive statement of the priorities of a nation. Within the budget, a government expresses its policy intentions, and the means and resources with which it intends to implement them. The budget debate is one of the key moments in the parliamentary year and it offers a crucial opportunity for parliament to promote the interests of those it represents. Increasingly, budgets have also begun to incorporate a vision of gender equality, by acknowledging that expenditures have differing effects on men and women, boys and girls.

For a budget to become law, it has to be scrutinised and approved by parliament. As the foremost representative institution, parliament monitors the work of governments by seeking to ensure that the budget matches the needs of the electorate with the nation's available resources. Through its oversight function, it also has responsibility for ensuring that the resources allocated within the budget are utilised in a manner that yields maximum benefit for the people. It is no accident that strengthening the capacity and role of parliament within the budget process is now commonly linked to increasing democratisation and development.

In line with its dual interest in promoting the role of women in parliament and fostering good governance, the Inter-Parliamentary Union (IPU) has held a series of regional seminars on "Parliament and the budgetary process, including from a gender perspective". The Manila seminar was the third in this series and as in previous seminars in Nairobi (2000) and Bamako (2001), the aim has been to strengthen the capacity of parliaments in ensuring transparency and accountability in this key process of government activity.


Each of these regional seminars identified particular regional themes, and the Manila seminar was no different. Participants came from the ASEAN + 3 region which had fallen prey to the Asian economic crisis of the late 1990s. Not surprisingly, participants were interested in discussing ways to strengthen institutions so as to minimise the effects of potential economic destabilisation in the future. To this end, they considered the role of expenditure committees, budget offices and audit offices in maintaining budget accountability and transparency. Also of interest was the question of loan conditionalities and the extent to which parliaments can approve and oversee the utilisation of the loans contracted by government.

The rich gender budgeting experience of the Government of the Philippines also set the tone for a very lively debate on how and why gender budgeting should be implemented. Gender budgeting was promoted as an effective means of ensuring economic efficiency, rather than merely delivering gender-equitable outcomes. Variations also surfaced amongst countries within the region, with some parliaments, for example, playing a role in the budget process at the formulation stage as well as the approval and evaluation stages.

This publication documents the speeches and presentations made during the seminar, and uses a series of quotations from the ensuing debates to provide a snapshot of the issues covered. After a general introduction to the budgetary process, including from a gender perspective, participants considered the question of what is meant by a gender perspective to the budget; the respective roles of government and parliament in the budgetary process; issues of transparency and accountability and how to conduct a gender impact analysis of the budget. As in Kenya and Mali, parliamentary staff were invited to participate in parallel sessions, in which they discussed strategies to provide impartial advice to parliamentarians on the budgetary process.

The seed for these seminars was first planted in Nairobi and the success of the latest one will undoubtedly generate further events in other parts of the world. I am sure that these seminars provide a valuable opportunity for exchanging views and sharing country-specific practices, and that these reports offer a practical resource tool for all interested parties. It is worth mentioning that a Handbook for Parliamentarians on national budgets and gender issues, which builds on the material and experience gleaned from these seminars, will be published shortly.

The Manila seminar was the product of a fruitful collaboration between the IPU, the United Nations Development Programme and the World Bank Institute. I commend the efforts of each party and thank them for the constructive spirit in which the seminar was organised. This seminar would not have been so successful without the efficiency and generous hospitality displayed by the Parliament of the Republic of the Philippines, to which I owe a debt of gratitude. Finally, the resource persons, who contributed a wealth of practical knowledge of budgetary processes and the implementation of gender sensitive budgets, deserve our sincere thanks. ■

A handwritten signature in black ink, appearing to read 'Anders B. Johnsson', with a stylized flourish at the end.

Anders B. Johnsson  
Secretary General

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### **Inaugural Ceremony**

Mr. Mark Malloch Brown, United Nations Development Programme Administrator,  
Mr. Jose De Venecia, Speaker of the House of Representatives, Philippines,  
Senator Franklin Drilon, President of the Senate, Philippines,  
Mr. Martin Chungong, Representative of the Inter-Parliamentary Union, and  
Mr. Rick Staphenurst, Senior Public Management Specialist, World Bank Institute

## Mr. Martin Chungong, Representative of the Secretary General of the Inter-Parliamentary Union

OPENING SPEECH

The Secretary General of the Inter-Parliamentary Union, Anders B. Johnsson, regrets that, for reasons beyond his control, he cannot be here today with you. He has therefore requested me to represent him on this occasion and to convey to you his heartfelt wishes for a successful meeting, a duty I am deeply pleased to be able to discharge.

May I first of all welcome you all to this seminar which the IPU is honoured to be organising in partnership with the Congress of the Philippines, the United Nations Development Programme and the World Bank Institute. In this context, I convey, through you, Hon. President of the Senate, Hon. Speaker of the House of Representatives, our gratitude to the Congress of the Republic of the Philippines for hosting this seminar. We are indeed appreciative of the active role that the Congress is playing within the IPU, contributing in its own way to the realisation of the ideals this worldwide parliamentary organisation stands for.

The event that has brought us together today bears testimony to the strengthening of the partnership that we have established with the United Nations Development Programme over the past 30 years. These three decades have witnessed a blossoming co-operative relationship between these two institutions which have pooled their expertise and strengths and placed these at the service of representative institutions world-wide. The parliamentary support programme under which the two institutions work towards the strengthening of the capacity of parliaments to create the necessary environment for sustainable human development is illustrative of this rich and rewarding co-operation. The presence among us today of Mr. Mark Malloch Brown, the UNDP Administrator, whom I have the singular pleasure of saluting, is proof, I believe, of the importance UNDP attaches to this partnership. Our wish is that this co-operation grow from strength to strength for the benefit of democracy and good governance, and ultimately the welfare of human beings worldwide.

I would also like to cite the burgeoning relationship the IPU is developing with the World Bank Institute as we pursue joint efforts to strengthen the oversight role of parliaments in the management of public affairs. This seminar is a good example of our common desire to ensure that government is both transparent and accountable. On behalf of the IPU, I wish to thank the World Bank Institute for its assistance in the organisation of this seminar.

In welcoming you all to this seminar, I am sure you will allow me to make special mention of the presence of the delegation from the Parliament of the newly independent nation of East Timor. I believe this is the first international event in which this young parliament is participating. May I assure the Speaker of that parliament and his colleagues of our continuing support as they move towards consolidating the Parliament as a key institution of good governance and democracy in East Timor, a democracy which is open, tolerant and attuned to the interests of the people of that country.

It is not my intention to either anticipate or pre-empt the discussions that will be taking place over the next few days. May I simply emphasise the importance of the theme that will be the focus of these discussions. After all, the national budget is the most important political statement that any government has to make in any given year. It is therefore imperative that parliament, as the foremost political institution in each country, should play a pre-eminent role in scrutinising it and overseeing its proper implementation. Irrespective of the political regime prevailing in each country, it is through the budget that the government makes political choices and seeks the allocation of adequate resources to enable it to implement those choices for the common good of society. Parliament's role is therefore paramount not only in influencing those political choices so that they truly represent the wishes of the people they have been elected to represent, but also in ensuring that the resources

thus made available are utilised in a transparent, responsible and accountable manner for maximum benefit to all. In so doing, it seeks to promote efficiency and minimise the wastage of resources that are generally limited.

Like every policy instrument, the budget is designed for human beings, men and women alike. More than anything else, the budget enables, I mean, should enable the government to make choices that take into account the concerns of both components and to allocate resources accordingly. I say "should enable" because, all too often, government policies do not pay adequate attention to the needs of both sexes. The IPU is however heartened by the growing awareness among decision and policy makers of this paradigm. Through this seminar, it is seeking to contribute to enhancing this awareness and to provide MPs, as the representatives of the people, as well as their support staff, with the necessary tools for ensuring that words are translated into concrete action in the highly complex environment of the budget process. The presence at this seminar of both male and female MPs is proof that the myth of gender being identified with women only is gradually being dissipated. The IPU sees this as an additional and significant step towards the attainment of the precept that democracy must be founded on a genuine partnership between men and women in the conduct of the affairs of society in which they work in equality and complementarity, drawing mutual enrichment from their differences.

Over the next three days, you will have the opportunity of fathoming the depth of the budget phenomenon or process, examining how it impacts on the welfare of both sexes and identifying ways and means of ensuring that the process is as equitable and efficient as possible. To facilitate your discussions, we have brought together a variety of experiences and expertise so as to achieve a cross-fertilisation which, we hope, will help you to accomplish, in a more coherent and efficient manner, your mission as legislators and overseers of government as well as representatives of the people.

On behalf of the IPU, I extend our sincere thanks to all the resource persons who have kindly accepted our invitation to come and share their knowledge and experience with this distinguished parliamentary community gathered here today. With your permission, I wish to recognise: Dr Emilia Boncodin, Secretary of the Budget of the Philippines; Ms. Winnie Byanyima, MP from Uganda; Mr. Paul East, former MP and recently New Zealand High Commissioner to the Court of St James; Mr. Rick Stapenhurst, senior official of the World Bank Institute; Ms. Remedios Rikken, Operations Director of the Centre for Asia-Pacific Women in Politics; Mr. Paul Sinnapan, from the Credit Union Centre of Malaysia; Ms. Aurora Javate de Dios, Chair, National Commission on the Role of Filipino Women; and Dr. Amelou Benitez-Reyes, Commissioner, National Commission on the Role of Filipino Women.

In conclusion, it is my ardent hope that you will find the deliberations of this seminar both enriching and rewarding. On behalf of the IPU and on my own personal behalf, I extend to you once again our sincere wishes for a successful seminar. I look forward to working with you in the coming days.

Thank you. ■

**Mr. Rick Stapenhurst**  
**Senior Public Management Specialist,**  
**Governance Regulation and Finance Division,**  
**World Bank Institute**

OPENING SPEECH

First, let me say how honoured I am to be here with you this week and let me thank the Congress of the Philippines for its warm welcome and kind hospitality.

I work in the World Bank Institute --- the training and capacity-building arm of the World Bank. The Institute was founded some 35 years ago, principally to train mid-level civil servants in client countries to manage World Bank projects. About 10 years ago, however, a major shift occurred, and since that time our efforts are much less directed at "training" civil servants and much more focused on knowledge exchange and transfer of experience among decision-makers and opinion leaders in society – ministers and senior officials, parliamentarians, trade ministers and others. Over the past 10 years, we have held policy seminars, workshops and conferences for parliamentarians in all parts of the world, and these have been attended by more than 3,000 MPs. We work closely with other organisations, such as the Inter-Parliamentary Union, in organising such events. Over the years, we have covered numerous topics, ranging from economic policy reform to anti-corruption and from poverty reduction to pension reform. Currently, we are focusing on two main issues: parliamentary oversight (including over the budget) and parliament's role in poverty reduction.

I am particularly pleased to be here this week as the focus of our deliberations encompasses both these areas: "Parliament and the Budgetary Process" highlighting that one of the principle ways that parliaments oversee governments is through "the power of the purse" while "the gender perspective" reminds us of the human side of the budget --- that government actions only matter if they are backed up with expenditures, and that such expenditures must lead to the betterment of people --- both men and women.

I am particularly pleased to see parliamentary staff here this week - if parliaments and parliamentarians are to be effective in the budget process, they require the comprehensive analyses and information that only their staff can provide.

Let me wish you all the best for your deliberations this week.

Thank you. ■



**Mr. Mark Malloch Brown,  
Administrator,  
United Nations Development Programme**

OPENING SPEECH

It is a great pleasure to see, in this three-day international seminar, another example of the long partnership between the Inter-Parliamentary Union and the United Nations Development Programme. It also reflects our expanding partnership with the World Bank Institute. This is just one of a growing array of activities that we at UNDP have undertaken with the IPU, both in this region and elsewhere, ranging from such places as Cambodia and East Timor to several countries in Africa. In fact, the issue we are addressing here over the next few days, gender-sensitive national budgeting, has also been a specific focus of our joint work in Africa in recent years.

I would join others in saying it is a very special moment for all of us, as democrats, to welcome the delegation from East Timor here today. Whether it is the birthing of a newly independent nation in East Timor, or the holding of an international seminar on gender-sensitive budgeting here in the Philippines, these events are part and parcel of the same challenging work of supporting and advancing democracy around the globe.

In that vein, I am in Manila this week not only for this important event but also because, tomorrow, with Philippine President Gloria Macapagal-Arroyo, I will be launching UNDP's global Human Development Report, which this year focuses on the status of democracy worldwide.

The Human Development Report delivers a two-part message to us all, in parliaments, civil society, government and the free press around the world. The first part is positive: we can all celebrate an astonishing global march toward democracy over the last 20 years. Since 1980, we have seen a breathtaking 81 countries join the "democracy column," meaning that no fewer than 114 countries in the world today are governed broadly through the election of government by competitive, multi-party voting. That is the good news: for the first time in human history most people in the world are living in democracies, broadly defined.

However, go beneath that surface statistic and the news is mixed. Only a little more than half of these countries really come close to a fuller, more meaningful definition of democracy. That is, just about 80 have the checks and balances that come from a vigorous press, a strong civil society and, above all, a truly empowered and effective parliament. Only with an effective parliament can people really feel that their interests are promoted and represented, not just every five years during election season, but in the day-to-day debate and conduct of their country's government.

So we still have a lot of work to do, if the hope and ambition of democracy is to be sustained. I think the strengthening of parliaments is at the core of this process.

One crucial dimension of that democratisation of national life rests on the role of women. Fewer than 15 per cent of parliamentarians in the world today are women. Parliaments in Asia are at about that average level. The global average, however, would be dragged much lower by other regions where performance is worse, were it not for the high performance of the Nordic countries and a few other shining examples where women's representation in parliament reaches almost 40 per cent.

The representation of women in parliament, or indeed women in government, is not just an end in itself. Its very real purpose is to ensure that the processes of government, the public policy choices made every day,

reflect and represent that half of society that is all too often left out of the political equation: women. Let me give just two practical examples of what this means.

In Africa, it means bringing women into the formal economy. Local commerce in so many African countries is dominated by women, yet they are too often unable to access banks for loans, secure their property rights and leverage their economic capacities effectively in their countries' mainstream economies.

Another example is the rural sector throughout Asia, where women play such a major role in the agricultural economy. Again, with unequal civil rights in many places, women are too often at a terrible disadvantage. In some cases, there are programs in place to help them achieve their rights. The losses in these situations are not just to the women themselves or even to their families. They are huge economic losses, losses to societies and countries as a whole. By having women in decision-making roles, in government and parliament, we can redress these adverse conditions and ensure that countries' full economic and social potential is unleashed.

Let me close with one last example of which, perhaps, many of you in this room may not yet be aware. Yesterday, the United States announced it was withdrawing its contribution to the UN Fund for Population Activities, a devastating blow to an agency which is deeply engaged in supporting the reproductive health rights of women everywhere. While this is an issue of great sensitivity in many societies, including here in the Philippines, the UNFPA is critical to the rights of all women around the world.

Yet it is a program that should have a place in the heart of every man and woman. Its first executive secretary was from this country, Paeng Salas, the famous executive secretary to former Philippine President Ferdinand Marcos. Mr. Salas established this shining example of UN development activity, working first within UNDP and then subsequently taking the program outside and establishing it as an independent UN agency. In choosing him as the first head of the program, my predecessor, the UNDP Administrator at the time, very much knew what he was doing. Mr. Salas was a politician from a devoutly Roman Catholic country who, in protecting and supporting the right of women to choose over family size, knew it had to be done within an appropriate cultural context, in a way that would not be offensive to people with deep religious convictions. His two successors as heads of that agency were both women — the current one is a Muslim woman — a reflection of the need for women to be reached by these services in a way that honestly respects culture and religion, rather than pushing either aside.

I think the withdrawal of American funding from that agency is a devastating example of what happens when women do not enjoy enough power in politics.

Thank you very much. ■

## Mr. Jose De Venecia, Speaker of the House of Representatives of the Philippines

OPENING SPEECH

The House of Representatives and the Senate of the Philippines are honored to be sponsoring this historic conference in Manila, strongly supported by the IPU, the World Bank and by the UNDP.

Earlier, a few minutes ago, when we were talking to Administrator Mark Malloch Brown, I asked how many nations there are in Asia, how many nations in Africa, in Europe, in Latin America and in the world that have balanced budgets. Although we do not have the exact numbers, our consensus is that of the 186 nations around the world, members of the United Nations, not more than 15 or 20 per cent of governments have balanced their budget. Some have been able to achieve a balancing of their budget and even achieved a surplus, but not for long. There is no continuity, sustainability in the power of nations, governments and parliaments to achieve a balanced budget and budget surpluses. Even the United States government has long been a victim of huge budgetary deficit, until recently when they have been able to overcome their budget deficit and achieved a strong budget surplus. Now there is a new challenge to the US government as a result of the crisis of September 11 and beyond. I doubt whether they will be able to continue this regime of budget surpluses because of the incredible amounts of money that they have now to mobilise, to support their defence requirements in support of the battle against international terrorism. Nonetheless, when President Ramos became president, and I had the privilege to be head of the House in 1992, we were faced with an incredibly large deficit. At that time, Secretary Boncodin was helping us as Deputy Secretary of the Budget. By 1993, I am happy to say, we were able to balance the budget and achieved a surplus. In 1994 we again balanced the budget and achieved a surplus. In 1995, we balanced the budget and achieved a surplus. In 1996, we balanced the budget and achieved a surplus; but the 1997 budget was decimated because of the explosion of the Asian financial crisis.

Senate President Drilon and I, with the support of President Gloria Macapagal-Arroyo's fiscal programs, have been committed to reducing the budget deficit, whether it be last year's, this year's or next year's, so that perhaps in two years, we will be able to balance the budget again and achieve a budget surplus. This takes a lot of effort because our population is exploding. We were finally able to destroy the image of the Philippines as the sick man of Asia and to try to achieve the beginnings of our own modest Asian economic miracle. Now, however, we have to work double and triple time. I think that by this year we will be able to control the budget deficit and by next year start moving forward towards achieving a balance although the actual balance may actually take two years.

My friends, ladies and gentlemen, I wish to point out that the Philippines is perhaps the only parliament, the only government in Asia and in the world which has passed a law, the Women in Nation-Building Act, and put a provision in the budget that mandates and dictates that at least 5 per cent of the national budget will go into gender programs, into women programs. We are trying our best to honor this historic provision in the budget so that programs are created for women in agriculture, in science and technology, even in the judicial system, in infrastructure, and in social programs. We tried to comply with that provision of the budget so that at least 5 per cent goes into gender programs and women's programs and women's development programs.

One of the biggest problems that developing countries face, including the Philippines, is corruption in government and corruption in the budget system. So much so that the World Bank has said that at least or a good part, maybe 10 to 20 per cent of the budget, goes to corruption in many countries in the world, including the Philippines.

We have therefore introduced a Bill in Congress in the last few weeks, called the Anti-Corruption Procurement Bill. Secretary Boncodin, President Gloria Macapagal-Arroyo, Senate President Drilon, Professor Neri and I have been working on the Bill in order to introduce an E-mail procurement system whereby the bidding in infrastructure projects in roads, in bridges, in schools, in markets, in hospitals will go through an E-mail process. This would ensure that, in one hour, as much information as possible is mobilised, that we get offers from as many as possible, and that both foreign and local bidders can participate in the process in order to reduce corruption in this country and, more broadly, in developing countries. We may even reduce corruption in the developed countries which have not yet adopted this system. We are also going to insert a provision in this process so that a road built must have a warranty or a guaranty of at least five years performance before full payment is paid to the contractor. It is very important because in many countries, in many developing countries, including my own country, some roads are built but they are destroyed or become unusable after one or two years because of low quality construction materials and standards in the construction of these projects. Therefore, under this Bill, we are now going to insert a provision that no final payment to the contractor will be made unless the five-year guaranty passes and we are sure that the roads stay even after a flood or a storm.

These are some of the ideas that we are working on now in the House of Representatives and in the Senate of the Philippines. We are very happy that we have this historic opportunity to be with you today, the ASEAN + 3 process.

I was in Moscow two weeks ago on the invitation of the Russian Parliament, and during my meeting with the Speaker of Parliament in Russia, I proposed that we expand the ASEAN + 3 concept to an ASEAN + 4 to include not only China and Japan and South Korea, but also to include Russia because more than 60 per cent of the Russian Federation is in Asia, east of the Ural mountains. Huge amounts of land in Russia belong to the Russian Far East.

My friends, this seminar, on the initiative of the UNDP and on the initiative of the Congress of the Philippines, the World Bank Institute, and the IPU is something that we must keep and maintain and sustain, not only on a once-in-a-while basis but on a regular basis in order to join forces and exchange views and consult each other in law making, so as to improve and enhance our ability to mobilise budgets that are achievable, budgets that will not lead to large deficits, and large deficits that will not lead to increased internal and external borrowing, and budget deficits that lead to increased interest rates in the development of our economy.

For this reason, I would like to ask that our Secretary General provide you with copies of this E-Procurement Bill that you may consider as part of the process of reducing corruption in the building of our infrastructure.

Secondly, we would like to give you a copy of the Women in Nation-Building Act, being the provision in our budget that compels us to allocate 5 per cent for women gender programs.

My friends, ladies and gentlemen, again, I congratulate you for this getting together on this gathering and I hope that this will be a successful, productive and useful session.

Thank you and good morning. ■

## Mr. Franklin M. Drilon, President of the Senate of the Philippines

OPENING SPEECH

It is indeed a great honour for the Congress of the Philippines to host, in cooperation with the Inter-Parliamentary Union and the United Nations Development Programme, the Seminar on Parliament and the Budgetary Process, Including from a Gender Perspective. Fortuitous, too, that this seminar begins a day after the opening of the Second Regular Session of the Philippines' 12<sup>th</sup> Congress whose work will be closely attuned to the objectives outlined by Her Excellency, President Gloria Macapagal-Arroyo in her State of the Nation Address yesterday – an occasion which most of our distinguished delegates here today had the chance to witness.

The Philippine Congress has consistently cooperated in the work of the IPU. Ever since our re-affiliation in 1987, we have attended and actively participated in its Conferences and we fully share and support its ideals and aspirations for a more effective parliamentary involvement in governance. This seminar again is a clear manifestation of our commitment.

The two previous seminars of this kind conducted for the parliaments of Africa, first in Nairobi, Kenya in May 2000 and in Bamako, Mali in November 2001, I understand, met with great success. As the first one in Asia, I am positive that countries from the ASEAN + 3 (China, Japan and the Republic of Korea) Group will find this technical assistance programme offered by the IPU and UNDP a most welcome undertaking. With almost all countries in the region graciously honouring our invitation (with the exception of Japan and the Republic of Korea), I find no reason why we cannot duplicate or perhaps even surpass the success of the seminars in Africa.

The national budget fuels a country's development and progress. Its formulation is an intricate process that involves both the Executive and Legislative Branches of government. Far from being a compilation of income and expenditure, the national budget actually is the blueprint for a nation's socio-economic policies in the course of each fiscal year.

Within the Philippine context, the process on how the national budget is formulated is specifically expressed in the Philippine Constitution. The role of the Executive Department is stated in Article VII, Section 22, which provides that "The President shall submit to Congress within thirty days from the opening of every regular session, as the basis of the general appropriations bill, a budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures." The Philippine Congress, on the other hand, is guided by Section 24 and I quote, "All appropriation, revenue or tariff bills, bills authorising increase of the public debt, bills of local application, and private bills shall originate exclusively in the House of Representatives, but the Senate may propose or concur with the amendments." With these constitutional provisions in place, ample room for support and cooperation as well as a reasonable check and balance is imbedded in the formulation of the national budget.

The Philippine Congress fully recognises the authority of the Executive Branch to craft a budget based on perceived national priorities for the common good. These include appropriating funds for economic, social financial and cultural programmes. However, this recognition does not preclude the Congress from infusing proposed amendments or other priorities, bearing in mind the voice of its constituents, the people - a manifestation of true democracy at play. Parliamentarians may submit beforehand recommendations to particular government ministries on specific needs of their constituents for it to be taken into account before the budget is formulated. On the part of the opposition, the budget process is a venue to submit alternative counter-proposals on what it may perceive as funding shortfalls in government priority areas.

As in most developing countries, poverty remains the biggest hindrance to development and progress but, as President Gloria Macapagal-Arroyo has said, "it is not incurable, as direct government intervention can fight it." With the Philippine national budget for year 2002 as weapon, the administration has formulated four strategies comprising the national anti-poverty agenda, and I quote:

- A system of free enterprise to create jobs and wealth for our citizenry;
- A modernised agriculture sector founded on social equity to supply food and raise incomes in rural areas, where most of the poor live;
- A social bias for the disadvantaged to address their immediate needs and enhance their chances of a better life; and
- A government anchored on high moral standards, the rule of law and social justice.

Thus, when the Philippines crafted its national budget for the year 2002, it was guided not by tested conventions but rather by a more innovative approach that is people-centred. As President Gloria Macapagal-Arroyo has said: "The spending program is set out not according to agencies that will spend the money, but according to the sectors and goals for which funds will be spent - the ultimate beneficiaries". With scarce resources at hand, intelligent choices have to be made for these resources to reach the most needy. We have included in our priority areas programs to create more jobs, and those pertaining to food, medicine, housing, education and other basic human needs alongside with social protection and security.

In considering the budget, we have also taken into account an advocacy that has come of age -- the gender concept -- which aims to provide equal opportunities for women in the political, socio-economic and cultural life of our society and envisions to strengthen programs and legislation towards this end. In pursuing this, the Philippine Government in 1995 incorporated a Gender and Development provision in the annual General Appropriations Act which provides that all government departments, agencies and other instrumentalities shall formulate a Gender and Development Plan to empower women and address gender issues. Five per cent of an agency's annual total budget shall be allocated to the plan's implementation. We have also enacted the Republic Act 7192 otherwise known as the Women in Development and Nation-Building Act, which provides that a proportion of official development assistance be programmed to address women's needs.

I am proud to say that the budgetary system applied by the Philippines has been commended, no less, by the World Bank and other international agencies for its being systematic and transparent, for its programs being more focused, and for its minimising inefficiency and lessening corruption. Our Honourable Secretary of Budget, Emilia Boncodin, as one of the Seminar's resource speakers, will provide you with more information on the intricacies of our budgetary process.

The Nairobi and Bamako Budgetary Process seminars yielded interesting insights on the respective roles of the Executive and the Parliament in the budgetary process including mechanisms for parliamentary oversight.

I would like to express my optimism that the next three days of the Seminar will provide the same arena for us to share varied information on the budgetary process as we experience it within the ASEAN region. With the Inter-Parliamentary Union at the helm of the proceedings and the vast wealth of knowledge of our resource speakers and the capable secretariat support of the Philippine Congress, this Seminar will certainly strengthen our capacities to perform our roles as representatives of our peoples more effectively.

Allow me to welcome you all to the Philippines and as we say it in our language, Mabuhay, and may you all have a most pleasant stay in our country.

Thank you. ■

## Work Programme

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### Monday, 22 July 2003

3:00 p.m. State of the Nation Address of H.E. Gloria Macapagal-Arroyo President of the Republic of the Philippines, Batasang Pambansa, Constitution Hills, Diliman, Quezon City

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### Tuesday, 23 July 2003

- 10 a.m. – 11 a.m. **Opening ceremony**
- Address by Mr. Martin Chungong, Representative of the Secretary General of the IPU
  - Address by Mr. Rick Stapenhurst, Representative of the World Bank Institute
  - Address by Mr. Mark Malloch Brown, UNDP Administrator
  - Address by Mr. Jose De Venecia, Speaker of the House of Representatives of the Philippines
  - Address by Mr. Franklin Drilon, President of the Senate of the Philippines
- 10.30 a.m. – 1 p.m. **Plenary Joint Session for Members of Parliament and Parliamentary Staff**
- General introduction to the budgetary process, including from a gender perspective
    - Reviewing the variety of national approaches and processes
    - A gender perspective to the budget: What does it mean?

*Resource persons:*  
 Ms. Emilia Boncodin, Secretary, Department of Budget and Management  
 Ms. Winnie Byanyima, Member of Parliament, Uganda
- 2:30 p.m. – 3:45 p.m. ➤ General introduction to the budgetary process, including from a gender perspective (continued)
- Reviewing the variety of national approaches and processes
  - A gender perspective to the budget: What does it mean?
- Resource persons:*  
 Ms. Emilia Boncodin, Secretary, Department of Budget and Management  
 Ms. Winnie Byanyima, Member of Parliament, Uganda
- 4 p.m. – 6 p.m. ➤ The budget: Purpose, composition and terminology
- Resource person:*  
 Mr. Paul East, former MP, New Zealand

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### Wednesday, 24 July 2003

- Session for Members of Parliament**
- 9 a.m. – 10 a.m. ➤ The respective roles of Government and Parliament in the budgetary process
- Resource person:*  
 Mr. Paul East, former MP, New Zealand
- 10:30 a.m. – 1 p.m. ➤ Accountability and transparency in the budgetary process: Parliamentary oversight of the budget: parliamentary tools and mechanisms
- Resource persons:*  
 Mr. Rick Stapenhurst, Senior Public Management Specialist, Governance Regulation and Finance Division, World Bank Institute  
 Mr. Paul East, former MP, New Zealand
- 2:30 p.m. – 4 p.m. ➤ Accountability and transparency in the budgetary process: The national audit
- Resource persons:*  
 Mr. Rick Stapenhurst, Senior Public Management Specialist, Governance Regulation and Finance Division, World Bank Institute  
 Mr. Paul East, former MP, New Zealand
- 4 p.m. – 5.30 p.m. ➤ Gender impact analysis of budget
- Resource persons:*  
 Ms. Remedios I. Rikken, Operations Director, Centre for Asia Pacific Women in Politics  
 Mr. Paul Sinnapan, Trainer/Consultant, Credit Union Centre, Malaysia
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<b>Session for the Parliamentary Staff</b>	
9:00 a.m. – 10 a.m.	<ul style="list-style-type: none"> <li>➤ Gender impact analysis of the budget</li> </ul> <p><i>Resource person:</i> Ms. Amelou Benitez-Reyes, Commissioner, National Commission on the Role of Filipino Women</p>
10:30 am – 1 p.m.	<ul style="list-style-type: none"> <li>➤ Gender impact analysis of the budget</li> </ul> <p><i>Resource persons:</i> Ms. Remedios I. Rikken, Operations Director, CAPWIP Mr. Paul Sinnapan, Trainer/Consultant, Credit Union Centre, Malaysia</p>
2:30 p.m. – 4 p.m.	<ul style="list-style-type: none"> <li>➤ Mechanisms and methods for developing a gender-sensitive budget</li> </ul> <p><i>Resource persons:</i> Ms. Amelou Benitez-Reyes, Commissioner, National Commission on the Role of Filipino Women Ms. Winnie Byanyima, MP, Uganda</p>
4 p.m. – 6 p.m.	<ul style="list-style-type: none"> <li>➤ The respective roles of the Government and Parliament in the budgetary process</li> </ul> <p><i>Resource Person:</i> Mr. Paul East, Former MP, New Zealand</p>

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### Thursday, 25 July 2003

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<b>Session for Members of Parliament</b>	
9 a.m. – 10 a.m.	<ul style="list-style-type: none"> <li>➤ Gender impact analysis of the budget (continued)</li> </ul> <p><i>Resource persons:</i> Ms. Remedios I. Rikken, Operations Director, CAPWIP Mr. Paul Sinnapan, Trainer/Consultant, Credit Union Centre, Malaysia</p>
11 a.m. – 1 p.m.	<ul style="list-style-type: none"> <li>➤ Mechanisms and methods for developing a gender-sensitive budget</li> </ul> <p><i>Resource persons:</i> Ms. Aurora Javate de Dios, Chair, NCRFW Ms. Winnie Byanyima, MP, Uganda</p>
<b>Session for the Parliamentary Staff</b>	
9 a.m. – 10 a.m.	<ul style="list-style-type: none"> <li>➤ Accountability and transparency in the budgetary process: Parliamentary oversight of the budget: parliamentary tools and mechanisms</li> </ul> <p><i>Resource persons:</i> Mr. Rick Stapenhurst, Senior Public Management Specialist, Governance Regulation and Finance Division, World Bank Institute Mr. Paul East, Former MP, New Zealand</p>
11 a.m. – 1 p.m.	<ul style="list-style-type: none"> <li>➤ Accountability and transparency in the budgetary process: Parliamentary oversight of the budget: parliamentary tools and mechanisms (continued)</li> </ul> <p><i>Resource persons:</i> Mr. Rick Stapenhurst, Senior Public Management Specialist, Governance Regulation and Finance Division, World Bank Institute Mr. Paul East, former MP, New Zealand</p>
4 p.m. – 5 p.m.	<b>General Assessment of the Seminar</b>
<b>Closure</b>	
5 p.m. – 6 p.m.	<ul style="list-style-type: none"> <li>➤ Final summing-up report: Guidelines for an efficient parliamentary contribution to the budgetary process</li> </ul>
6 p.m.	<b>Closing ceremony</b>

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## Officers of the Seminar

### **President of the Seminar**

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Senator, the Hon. Franklin Drilon  
President of the Senate of the Philippines

### **Vice-Presidents assisting the President in the chairing the seminar**

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Hon. Mr. Soebagyo Anam  
Member Parliament, Indonesia

Hon. Jeyaraj Fernandopulle  
Chairman of the Committee on Public Enterprises,  
Parliament of Sri Lanka

Hon. Van Junaidi Tunako Jaafar,  
Member of Parliament, Malaysia

Hon. Dr. Somphong Mongkhonvilay  
The Peoples Democratic Republic of Laos

Hon. Surajai Sirinupongs  
Senator and Chief Adviser of the Standing Committee on Finance,  
Banking and Financial Institutions, Thailand

Hon. Cheam Yeap  
Chairman of the Finance and Banking Committee,  
National Assembly of the Kingdom of Cambodia

### **General Rapporteur of the Seminar**

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Hon. Ramon Magsaysay, Jr.  
Senator, Vice Chair of the Committee on Finance,  
Senate of the Philippines

### **Chair of the Parliamentary Staff session**

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Ms. Yolanda Doblón  
Executive Director,  
Legislative Budget Research and Monitoring Office,  
Senate of the Philippines

## Resource persons

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Ms. Emilia Boncodin  
Secretary, Department of Budget and Management, Philippines

Ms. Winnie Byanyima  
Member of Parliament, Uganda

Mr. Rick Stapenhurst  
Senior Public Management Specialist,  
Governance Regulation and Finance Division, World Bank Institute

Mr. Paul East  
former MP, New Zealand

Ms. Aurora Javate de Dios  
Chair, National Commission on the Role of Filipino Women

Dr. Amelou Benitez-Reyes  
Commissioner, National Commission on the Role of Filipino Women

Ms. Remedios I. Rikken  
Operations Director, Centre for Asia-Pacific Women In Politics, Philippines

Mr. Paul Sinnapan  
Trainer/Consultant, Credit Union Centre, Malaysia

## Summary of the proceedings: Issues and Guidelines

Herein are some of the major issues that emerged from the discussions as well as points of consensus on the budget and the involvement of parliament, including from a gender perspective.

### THE NATIONAL BUDGET

#### *Definitions*

- The national budget is the most important political statement that any government has to make. Far from being a mere compilation of income and expenditure, it is the blueprint for a nation's socio-economic policies for each fiscal year.
- It defines, in the most concrete terms, the direction of national policy, the plan of action, and the cost implications of government programmes and projects during the fiscal year and identifies the resources required to implement them.
- The national budget is thus the fundamental indicator of what government is doing and what objectives it is pursuing.
- Beyond the numbers lies the real essence of budgets: a plan and a concrete programme of action, determining the activities on which governments will spend funds in the pursuit of development goals; which sectors of the economy will be expected to pay for said activities; how government will respond to economic disturbances in the short term; and who will be the direct and indirect beneficiaries of public services.

#### *Functions of the budget*

- National budgets fulfil critical functions in a country's development and progress.
- These functions include:
  - The allocation of resources (public goods and services by government) to priority sectors;
  - the distribution of wealth and incomes (reducing inequalities between and within households and socio-economic groups);
  - The stabilisation of the economy (achieving growth rates; reducing fiscal deficits, stabilising prices, i.e. aiming to fulfil macro economic targets).

In fulfilling these functions, a budget can affect women and men, girls and boys differently.

- The economic stabilisation of the budget should be balanced against the need to ensure that there are adequate resources (including from external sources) to ensure the delivery and development of essential services especially in the social sectors.
- The budget is also an excellent tool for ensuring social order and harmony. It provides a sense of direction and of discipline in government action.
- It is also a measure of government performance and accountability and serves as a benchmark against which accountabilities and performances can be measured. Though the concept of budgets as indicators of performance is relatively new in many developing countries, it is steadily gaining ground with the advent of an increasing demand for transparent and accountable government.

#### *The budgetary process*

- The budgetary cycle comprises the following main stages:
  - Planning/Formulation;
  - Enactment;
  - Implementation;
  - Monitoring and Audit.

## NATURE AND COMPOSITION OF THE BUDGET

While the form national budgets take differs from country to country and from system to system, they generally include a Policy Statement, an inventory of priorities and programmes, distribution/allocation of the corresponding resources as well as budget implementation/evaluation reports for the previous budget cycle.

Increasingly, annual budget documents are accompanied by multiyear expenditure frameworks.

### A. Budget resources

#### a) Taxation

- The taxation systems need to be designed in a manner that ensures adequate budget revenue.
- In order to reduce the tax burden on the whole of the population, the tax base could be expanded.
- Tax collection agencies should also be taxpayer friendly bureaucracies.

#### b) Loans

- Loans often constitute an important budgetary resource. While they may be vital in providing essential additional resources for the socio-economic development of the country, there is a need to ensure that the proportion of such loans in the budget is manageable and does not jeopardise future development. It is up to each country to assess the appropriate levels of its debt burden.
- There is a need for greater parliamentary involvement in public loan management. In this context, it has been generally agreed that parliament should have the authority to approve loans prior to their being contracted. Accordingly, parliament should be provided with detailed information on:
  - the volume of the loans;
  - the purpose of the loans;
  - an assessment of the impact on the direct beneficiaries, men and women, boys and girls alike, and society as a whole;
  - possible constraints;
  - conditionalities imposed by the lending institutions.

### B. Budgetary allocations

While the budgetary resources should be allocated to specific priority sectors identified by the government, flexibility should be exercised so as to allow for the mobilisation of resources to meet contingencies, including emergencies and disasters, for example.

Furthermore, flexibility should be allowed in the reallocation of resources within given budgetary allocations and the implementation of expenditure, provided that parliament has due authority and oversight over such reallocations.

The seminar discussed interesting experiences in countries where parliament increasingly wields the authority to increase or reduce budgetary allocations under various portfolios.

### C. Decentralisation of the budget

Decentralisation and the devolution of centrally managed functions to lower-level government units has been, in recent years, recognised as an important element of public sector reform and a means of achieving

budget efficiency. This evolution has brought about a series of changes in the preparation of central government budgets.

A greater revenue allocation to local government institutions has promoted and encouraged local innovation and dynamism, and greater efficiency and more cost-effective delivery of essential services where central government management has been ineffective.

Decentralisation of budget management generally allows for a more equitable distribution of resources and makes it possible to respond more equitably to the needs of minority and underprivileged groups.

Private sector and NGO execution of government-funded projects has often resulted in greater efficiency and more cost-effective delivery of services, especially in social sectors. However, increased and equitable access to social services can only be guaranteed when there are effective regulatory systems.

The development of decentralised budgetary units should be accompanied by the creation of adequate oversight and accountability mechanisms.

### **ACTORS AND THEIR RESPECTIVE ROLES IN THE BUDGETARY PROCESS**

The respective roles of parliament and government in the budgetary process are based on the traditional division of powers between the executive, the legislature and the judiciary. An efficient interaction between the first two branches of government in the budget process allows for better governance and the strengthening of democracy. Increasingly, the critical role that civil society plays in the budget process is being recognised and promoted.

#### ***Role of government***

- The executive branch of government is primarily responsible for:
  - planning and formulating the budget (identification of priorities, designing programmes to respond to these priorities and allocating resources to these programmes);
  - implementing the budget;
  - monitoring the implementation of the budget and ensuring internal controls and budget discipline, as well as accountability;
  - reporting on the implementation of the budget.

#### ***Role of parliament***

- Generally, parliament plays an authorisation, oversight and supervisory role in the budgetary process, thereby ensuring transparency and accountability. It thus scrutinises and approves budget proposals and authorises the expenditures necessary to respond to these proposals, and holds government to account for their implementation and the utilisation of the corresponding resources.
- As the representative body of the people, parliament is the appropriate institution in which to ensure that the budget best matches the nation's needs with the available resources.
- Greater parliamentary input into the budgetary process contributes to better national economic policy. It leads to greater government accountability and transparency; to substantial national consensus regarding macro-economic policies; and to greater possibilities for community-level input.
- Where the government informs the parliament of its intentions, it allows the latter to engage in healthy debate which helps to ensure that the policies subsequently adopted and implemented by the government adequately reflect the wishes of the people. Involving parliament only in the final stage of the process tends to foster sterile confrontation.
- In some systems, parliament is given the opportunity to provide inputs at the budget formulation stage in order to ensure that national and local priorities are fully incorporated.
- In that regard and in terms of national consensus building and building linkages at the community level, parliaments and parliamentarians again can play a major role. Individual MPs can work at

both the national and constituency level to draw in many civil society groups --- including those which represent the poor and the underprivileged --- and thus counter traditional privileged access to public influence by the wealthy.

- The organisation of National Economic Forums and parliamentary committee hearings at the community and district levels can also contribute to building public consensus around the budget.
- In some cases, parliaments even have access to alternative information and analysis and to information and views from community groups and civil society organisations. Close work with various business and labour groups also helps build consensus and obtain public input on key policy and budget issues.

### *Role of civil society in the context of an enhanced democratic approach to the budgetary process*

- The wave of democratisation of recent years has strengthened the need and demand for broader and deeper participation of all sectors of society in the affairs of the State.
- Civil society's role in some stages of the budgetary process is increasing worldwide. This has also offered the opportunity for certain gender-equality advocates to make their voices heard.
- Civil society's involvement should be encouraged and promoted by both the executive and legislative branches of government.
- At the formulation stage of the budget, the Government can benefit from civil society inputs (including from women's associations and groups) that ensure that the government's identified priorities are consonant with the interests of the different segments of society and are implemented in a manner beneficial to these segments. In that regard, cooperation with governmental departments should be enhanced: attending hearings of governmental departments organised during the budget formulation stage is one possibility of strengthening cooperation.
- As representatives of the people, parliamentarians should regularly consult civil society and relay its concerns to the government for inclusion in the debate on the formulation of the budget. Members of Parliament should therefore set up fora, at national and local level, wherein civil society, men and women alike, can be consulted extensively on priorities to be addressed within the budget.
- Parliament's own research and analytical capacities, including the collection of sex disaggregated data, can be enhanced by input from NGOs, academia and professional bodies.
- In some countries, parliaments have developed personal petition systems, that are treated seriously by MPs, and which allow ordinary citizens to provide significant input to policy determination.
- There is a strong need to promote and enhance the economic literacy of all actors of society to facilitate their understanding of and involvement in the budgetary process.

### **TRANSPARENCY AND ACCOUNTABILITY**

As discussed above, responsibility for ensuring transparency and accountability in the budgetary process lies primarily with the parliament.

- Accountability and transparency in the budgetary process are prerequisites for a democratic budgetary process.
- In this context, accountability is the obligation on the part of the government to answer for its actions, coupled with its ability to respond to queries from the parliament. More specifically, financial accountability is the relationship between the executive and the legislature based on the government's fiduciary obligation to demonstrate and take responsibility for performance in the light of agreed expectations regarding the management and use of public funds.
- Parliament confers responsibility on the Executive, and, at the same time, requires accountability reporting from the Executive. At the same time, watchdog agencies --- principally national audit offices --- examine the performance of the Executive and in turn report to Parliament.

- A transparent process requires that:
  - The form and content of the budget and estimates be both informative and understandable;
  - Government reports be timely and give a fair presentation of the facts. It has been generally observed that budgets which are accompanied by multi-year frameworks allow for a greater understanding by parliament of the government's long-term economic strategy and vision and thus promote transparency in terms of the government's intentions.
  - Public audit reports be relevant and useful;
  - Parliamentary oversight be open (in that it encourages public participation), conclusive and make a difference.
- The bedrock of this system is the right to information. Access to and disclosure of information by government is crucial in the budgetary process for efficient budgetary management and monitoring of governmental action. The tradition of secrecy sometimes observed by the government in budget matters should be discouraged by guaranteeing the right to information in the constitution and laws.

### *The National Audit*

- The national audit is a key instrument for ensuring accountability and transparency in the budgetary process. It serves to ensure that all budget expenditure has been duly authorised, effected for the purpose for which it has been authorised and accounted for. It also ensures that the information provided by the government thereon is accurate.
- In most countries, a supreme audit institution performs this function; it is desirable that it be independent of the executive branch of government.
- For the supreme audit institution to function in an independent and efficient manner, it should be headed by a competent professional who is appointed independently (in many cases, he or she is appointed by the parliament and cannot be removed from office except with the authority of the parliament). The institution should be adequately staffed (both in terms of ability and numbers), should ensure quality control and should be able to report to parliament in a timely manner.
- Greater efficiency in the audit function is further achieved when the audit report is publicised. There is therefore a need for the audit institution to forge an alliance with the media to ensure adequate media coverage of the auditor's report.
- It is crucial that the parliament be empowered to scrutinise, in a timely fashion, the audit report and propose appropriate measures to arrest improprieties in budget management, including sanctions against officials guilty of such practices.

### *Other tools and mechanisms available to the parliament for ensuring accountability and transparency*

The means available to parliaments to ensure accountability and transparency are generally enshrined in the Constitution, in laws and in the rules (standing orders, rules of procedure) under which the parliament operates. These tools and mechanisms include:

- Parliamentary committees (especially finance/budget committees, public accounts committees and other sector/department/portfolio committees), which are an essential instrument for ensuring parliamentary oversight of the budget. These committees are important for coordinating the parliament's response to proposed government priorities.
- Committee and plenary sessions of parliament, which provide a useful and effective forum for holding government to account through questions to the government and other public officials on their performance. In many countries, the work of committees is open to the public and parliament encourages public input through public hearings, outreach to civil society and other groups, strategic partnerships with non-governmental advocacy and think-tank organisations, etc.
- A parliamentary budget office (staffed with economists, social scientists and other experts) and/or properly equipped research services provide much of the analytical and information resources crucial to the proper scrutiny of the budget.

- Civil society organisations, academic institutions, professional groups, trade unions and other society-based groups are an important source of information on government performance at grassroots level and can help promote public awareness essential for transparency.

### *Particular role of the opposition*

- Ensuring accountability requires an effective opposition that has the opportunity to participate in the budgetary process. Indeed, in many parliaments, the opposition's main responsibility is holding government to account.
- It is therefore important that the regulatory framework within which parliament operates allows for adequate expression and participation of the opposition in the decision-making process. Therefore, parliamentary rules should be reviewed regularly with the involvement of the opposition.
- In many parliaments, key oversight committees such as the budget and/or public accounts committees are chaired by the opposition.

## **GENDER-SENSITIVE BUDGETS AS A MEANS OF ACHIEVING EQUITABLE DEVELOPMENT AND ECONOMIC EFFICIENCY**

There is an increasing recognition that gender-sensitive budgeting not only responds to human rights concerns but also promotes efficient and equitable economic development.

### *General concepts*

- Sex and gender do not mean the same thing. While sex refers to biological differences, which are difficult to change, gender refers to social differences, which can be modified since gender identity, roles and relations are determined by society.
- Policies framed in gender-neutral terms impact differently on women and men as both play different roles in the economy and in society. Good policy-making therefore requires understanding both the likely differential gender impacts and how policies might generally be better designed to achieve outcomes which meet the needs of women and men and girls and boys of different economic categories equitably. Ignoring the specific roles played by women in the economy and in society and their needs, undermines the efficiency of certain public policies.
- Gender issues pervade the lives of women and men and have economic and social implications as gender shapes opportunities, access to resources and needs.
- Apart from being unfair, gender inequalities are also costly, not only to women but also to men, children and society as a whole. The cost can be measured in lower economic efficiency, lower output, lower development of people's capacities and lower societal well-being. A gender impact analysis of a proposed budget is thus a precondition for budgetary efficiency.
- Gender neutrality of budgets does not imply that budgets will not have significantly different impacts on women and men of different economic/social groups. A gender-neutral approach means ignoring the gender impact of policy because it does not take into account the different positions women and men occupy in the economy and in society. This approach is more correctly referred to as gender-blindness.
- Gender-sensitive budgets do not mean separate budgets for women.
- Gender-sensitive budgets seek to reduce gender gaps and inequalities. They are intended to break down, or disaggregate, the government's entire budget according to its impact on different groups of women and men with cognisance being taken of the society's underpinning gender relations, roles and opportunities to access and control resources.

- Gender-sensitive budgets are therefore fundamentally about mainstreaming gender issues and ensuring that these issues are integrated into all national policies, plans and programmes rather than regarding women as a special "interest group" to be catered for separately.

#### *Mechanisms and tools for developing a gender sensitive budget*

- Many countries are now allocating a certain percentage of their budget resources to gender-related programmes. The case of the Philippines, which since 1994 has required every government agency to allocate at least 5 per cent of its budget to gender-related programs, was debated by the seminar.
- However, discussions at the seminar highlighted the fact that there was a need to go further and ensure that gender issues are taken into consideration by every government department in all programmes and that corresponding resources are allocated.
- To conduct a gender impact analysis of the budget, it is important to first do a gender analysis of the policy documents. A gender analysis of budgets focuses on the different roles women and men play in the economy, including unpaid care work; gender relations in households and public institutions; and differences in access to and control of resources by women and men, girls and boys.
- To that end, gender-disaggregated statistics are needed to demystify the apparent gender neutrality of budgets. Sex disaggregated data makes it possible for analysts, for instance, to expose how policies such as those on industrialisation, taxation, education, employment or trade impact on women due to their different location in the family and in the economy.

#### *Parliament's role in developing a gender sensitive budget*

- Parliaments should ensure that oversight committees receive and use recommendations resulting from gender budget research in the budget debate. In that connection, parliamentary staff should be encouraged to collect such data and make it available to MPs.
- Parliament and government should establish collaboration and partnership with civil society. Gender budget advocates may assist them in developing a gender approach to their budgetary analysis and work. In some cases, gender budget advocates have been invited by the Ministries of Finance to take part, on a permanent basis, in their sector's working groups on the budget. Such groups can also share their information and skills with committees and staff.
- Institutionalising the inclusion of a gender approach to the budget should be an objective of both parliaments and governments.
- In order to ensure the development of a gender perspective in policies and budgets, the establishment of gender parliamentary committees should be promoted. Parliamentary sub-committees of budget committees can also be efficient tools for the development of gender-sensitive budgets.

#### **WHAT PARLIAMENT NEEDS TO PERFORM ITS BUDGET FUNCTION**

- In order for parliament to play an efficient role in the budgetary process, a number of conditions need to be fulfilled.
- An appropriate constitutional and legal framework (constitution; laws; rules of procedure; standing orders) should be established that enables Parliament to operate in an unhindered and independent fashion.
- Such provisions should guarantee that parliament receives from the executive branch of government, as well as other public entities, the accurate information it needs to make the right decisions. This entails, among other things, access to comprehensive and independent sources of information (including gender-disaggregated data).

- Parliaments should have access to the necessary material, human (professional support staff, experts, analysts from the civil society, and academia) and financial resources. In this context, it is desirable that the parliament determine, vote and implement its own budget.
- Furthermore, there is the need to strengthen the capacity of parliamentarians and parliamentary staff to analyse the budget, scrutinise relevant reports and understand general economic issues, including from a gender perspective, the knowledge of which is crucial for efficient scrutiny of the budget. Capacity-building initiatives such as training and professional development activities may be required. Seminars such as the present one are very useful in this regard and should therefore be encouraged.
- Training parliamentary staff and Chairs of committees in gender analysis of policies and budgets is essential. This can be done at regional level using the available expertise and the services of a global institution such as the IPU. ■

## Key Points Raised in the Parliamentary Staff Session

### Developing gender sensitive budgets

- Sex and gender do not mean the same thing. While sex refers to biological differences, which are difficult to change, gender refers to social differences, which we are able to modify as gender identity is determined by society.
- It was made clear that the difference between these two concepts was not obvious to a broad majority of the population, and that lack of knowledge and traditional cultural obstacles impeded their acceptance and understanding.
- The organisation of popular sensitisation campaigns on the question and the inclusion of such concepts in educational manuals was mentioned. The use of non-discriminatory language was also recommended to promote gender sensitivity in society.
- It was made clear that policies impact differently on men and women. Moreover, ignoring gender differences when elaborating a national budget results in economic inefficiency. Indeed, gender sensitive budgeting responds not only to human rights concerns but also provides efficient and equitable economic development. It is a new way of looking at people; it means a change of attitude as to who matters. Gender sensitive budgets are beneficial to all members of society, men and women alike and they do not mean separate budgets for women.
- Gender sensitive budgets seek to reduce gender gaps and inequalities. They are therefore fundamentally about mainstreaming gender issues and ensuring that these issues are integrated into all national policies, plans and programmes rather than regarding women as a special "interest group".
- The different types of gender budgets were discussed by analysing in particular the case of the Philippines (where at least 5% of the budget of each government agency is allocated to gender related programs). The need to go one step further and ensure that gender issues are taken into consideration by every government department in the identification of their programmes and the allocation of corresponding resources was also mentioned. A feedback mechanism to determine/evaluate the effect of a gender sensitive budget on the lives of women was also stressed.
- The question of how the gender impact analysis of all policies and budgets can be ensured was then discussed. The following points were mentioned:
  - Access to and development of sex disaggregated data;
  - The need to consult with gender experts as part of parliamentary staff work and ensure that MPs have access to research on the question when scrutinising the budget;
  - The possibility of asking gender groups to develop checklists on gender budgets which would be submitted to MPs to facilitate their work;
  - The possibility for parliamentary staff to suggest and work for the establishment of a parliamentary committee that would be in charge of ensuring the inclusion of a gender perspective in all policies.

### The budgetary process at large

- In the discussion on the budgetary process at large, the respective roles of parliament and government in the budgetary process were addressed.
- The importance of clear and transparent budgetary statements was also highlighted. In that regard several means were mentioned to ensure transparency and accountability:
  - The role of select committees in parliament;
  - The need to use and develop mechanisms in parliamentary committees for as wide as possible a consultation process so that the public's concerns are reflected more clearly and people are more involved in the process;
  - The role of supreme audit institutions, which have to be independent and have adequate resources;
  - The need to have access to public, complete and clear information;
  - The role of the media in demanding transparency and accountability in the budgetary process and ensuring that the money reaches those for whom it was allocated.
- With regard to our functions, the problem of inadequate time given to staff for a proper involvement in the different stages of the budgetary process was raised. The need to develop expertise to assist members in their tasks and to have access to comprehensive information was also discussed. The need for capacity-building for both parliamentarians and parliamentary staff was stressed. ■



Participants of the Seminar



Mr. Jose De Venecia, Speaker of the Philippines House of Representatives  
with Mr. Francisco Guterrez "Lu-Olo", Speaker of the newly-established Parliament of  
Timor-Leste.



**Ms. Emilia Boncodin**  
**Secretary of the Department of Budget and Management,**  
**Philippines**

## General introduction to the budgetary process, including from a gender perspective

Ms. Emilia Boncodin  
Secretary, Department of Budget and Management

### Introduction

I am deeply grateful to the IPU and the organisers for the honour and privilege of addressing this distinguished assembly today, on a topic that we all hold dear, the budget process. Indeed, there is no single piece of legislation that parliaments all over the world deliberate with greater vigour than they do the budget bill. Why so? Because budgets define, in the most concrete terms, the direction of national policy, the plan of action, and the cost limitations of government programs and projects for any given fiscal year.

In the old days, budgets were nothing more than a cost list of major expenditures of the state and of the tax revenues that supported them, as prepared by state treasurers. As the years went by, refinements have transformed budgets, and the budgetary process, into a specialised branch of study, a separate discipline in public finance and public administration. In the process, the degree of sophistication and, corollarily, the intensity of debate have grown directly proportionate to the complexity of government operations itself.

Today, budgets, and in particular public sector budgets, are widely recognised as a principal tool of economic and fiscal policy, a major if not the fundamental indicator, of what governments are doing and where they are headed.

### Budget Evolution

The common concept of budgets has been that of columns and rows that add up horizontally and vertically in a neat, exact fashion. Prior to the advent of information technology, the budget document was a test of arithmetic skills of those who prepared them, the best of whom being those committing no mistakes in the tedious, agonising process of addition, subtraction, multiplication and division. It is little wonder why budget people were considered number wizards, typecast with thick glasses and bending backs from too much counting. Well, I am a budget person, but I don't wear glasses yet, and my back remains straight, thanks to the advances in modern health care.

To be sure, the face of traditional budgeting has changed so much in the past two decades. We see that budgets now fulfil very critical functions in development, in allocating to priority sectors, distributing wealth, performing a stabilisation role and in fostering equitable economic growth. Beyond the numbers lies the real essence of budgets, its true meaning and significance. That essence is a plan, and a concrete program of action, on what activities governments will spend in the pursuit of its development goals; which sectors of the economy will be tasked to pay for said activities in the most equitable manner; how government will respond to economic disturbances in the short term; and who will be the direct and indirect beneficiaries of public services.

That budgets possess such far-reaching influence on the economy and the lives of citizens has contributed immensely to the high level of attention devoted to it in both the executive and legislative branches of government. Certainly, a good budget has great potential to improve the economic and social environment. A bad budget, on the other hand, is nothing but a waste of time and money.

### Emerging Budget Functions

Quite apart from the economic dimension of budgets, I see two other significant functions that budgets satisfy. I see budgets as first, an excellent tool for ensuring order and harmony, and second, as an effective measure of government performance and accountability.

Budgets are guides, expressed in numerical terms, on the boundaries of government spending for a purpose. As such, they provide a sense of direction, and at the same time, a sense of discipline into what governments can do. This tool may not be entirely satisfactory in unusual times, but in normal times, it reinforces national financing stability. Think about how terribly chaotic it would be if there were no budgets! Every agency would want a piece of the pie with nothing to give them guidance. Even countries where money is not exactly scarce need a budget to steer their resources to best use. Surely, countries where fund scarcity is common need budgets to guide them even more. Where budgets are defined, a sense of order and harmony exists among those who implement public policy and the providers of public service.

In another fashion, budgets do establish a benchmark against which accountabilities can be exacted and performance measured. In the private sector, variances from budgeted amounts oftentimes spell the difference between delight or doom to those responsible for such deviations. In governments, the same must ideally hold true. In truth, the concept of budgets as indicators of performance is relatively new in most developing countries. It is, however, steadily gaining ground with the advent of transparent and accountable governments.

### **Budget Dilemmas**

Budgeting, nowadays, faces several challenges. The good news is that many lessons can be derived from the experiences of countries that have gone through them before and have suffered from the pitfalls, but also progressed from its benefits. The bad news is that such lessons need not necessarily apply to other countries where cultures, history, resources and development strategies generally differ. Countries deal with those challenges in the best way they can.

A recurring challenge is the level of government presence or intervention in the economy and in the sectors. There was a time when big government was almost universally considered desirable. Thus, government presence dominated many areas of the economy, pouring huge amounts into strategic sectors, and resulting in huge deficits and the birth of what is now popularly known as "pump-priming" or expansionary budget policy. Thus, budgets growing to as much as 40 per cent of GDP or beyond in market economies were not surprising. In most instances, these were accompanied by budget deficits pushing up to over 5 per cent of GDP. In centrally planned economies, the percentages are closer to 80 per cent budget-to-GDP rate, with the equivalent deficits still to be discovered. The notion of pump priming, while remaining popular, has now been largely tempered by growing debt burdens, the attraction of a "steering" in lieu of a "rowing" government role, devolution and privatisation strategies.

A lean and mean public machinery has come of age, although we have still to witness full flowering in many countries, our region included. Lately, however, global market fluctuations have not contributed favourably to a clear resolution of the dilemma between "big" and "lean" governments; in fact, they may have contributed to some reversal of the pattern. The debate in this field, therefore, continues, with countries experimenting on some modifications of a big or a small public sector when the need arises.

A second issue pertains to the degree of flexibility lawmakers and budget comptrollers are willing to allow the budget executing agencies. As an instrument of control, budgets have been remarkably successful in compelling agencies to toe the line. Nonetheless, that does not necessarily mean agencies made the best use of their fund allocations. Horror stories, such as a rural health unit failing to procure medicines on time because a higher authority took time issuing the necessary permit abound in many countries. Where processes hamper quick resolution of life or death situations, the cost of control is indeed immense.

On the other hand, there is a reason for the scepticism in relaxing budget rules. The probability of abuse is one. The possibility of losing discipline and accountability is another. If the level of detail of budgetary appropriations are any indication, too detailed appropriations may, in fact, stymie efficient fund management. Relaxing the same, however, would necessitate the adoption of safeguards to ensure that proper accountability remains in place.

A similar challenge to budget makers is that of earmarking revenues. In theory, budgets are better done comprehensively, that is, resources are pooled into a general fund against which allocations are freely made. While certainly logically sound and simple to implement, the current budget discourse resuscitated traditional ideas of earmarking or reserving certain collections for specific purposes. Among the popular ones are those calling for setting aside portions of motor vehicle taxes as road maintenance funds, or of tobacco taxes, as health care funds. Certainly, one can not quarrel with simple common sense in approving such types of earmarking. One needs to worry, however, about the impact it creates on other priority projects which may be deprived of support, not to mention the rigidities they create when programs initially supported by earmarked revenue have outlived their reason for existence.

A fourth concern relates to the evolving issue of central and local government partnership. Many countries today are going through the painstaking process of decentralising and devolving centrally managed functions to lower level government units. This past decade has been a decade of decentralisation and devolution, of greater local autonomy, or at least, the recognition of its value as a basic principle of public sector reform. These developments have revolutionised budget making in more ways than one.

The demand for greater revenue sharing with local political institutions and for entrusting specific functions to them, with central governments substantially performing a supporting role, dramatically changed the rules of the game in preparing central government budgets. For some of us, this disrupted the conventional wisdom of paternalistic central governments. On the positive side, we pleasantly witnessed reassuring local innovativeness and dynamism, and lo and behold, local governments are doing much better in areas central governments previously found difficult to manage. In the future, the continuing saga of central and local partnership will be in the legislative agenda of many countries, with the general direction in favour of the latter being just a matter of time. The necessary oversight and accountability mechanisms will therefore have to be crafted soon enough to prepare for this eventuality.

Underlying these concerns is a fundamental dilemma for legislatures and executing agencies alike - the need for stable revenues and that of generating public revenues. The explosion of budget deficits in the run-off to the Asian financial crisis underscored the need to manage the fiscal affairs of the state in a more flexible manner. More than this, however, it underlined the critical need to restructure tax systems and make tax collection agencies nimble and taxpayer-friendly bureaucracies of the world-class kind. To ignore this would be disaster. Of course, raising tax and non-tax revenues is so much easier said than done. And don't parliaments know this! That revenues must be raised is a given. How to do the raising is the thorny part.

Fortunately, economies and economic transactions have grown so much more sophisticated, with opportunities for restructuring or of introducing new measures becoming more attractive and viable with the least pain to those who could ill afford them. One therefore hears of impositions in such areas as call messaging, entertainment and services. There will surely be sectors that will be hurt, but the tangible benefits to those who have less in life could be immeasurable. With economic structures changing, the tax systems will also need to be reconfigured to ensure equity and fairness to taxpayers, simplicity in administering the collection system, and most significant of all, assurance of collecting the needed wherewithal to finance public expenditures on a sustainable basis.

The alternative mode of budget financing, that is, borrowing for public spending, could not be discarded either. In an era of financial liquidity, however, borrowing heavily would quite definitely be a most tempting proposition and could in fact be easily done at reasonable cost. A word of caution is in order here. The lessons of not-too-recent memory, when financial markets awash with petrodollars practically delivered borrowed funds to the doors of gullible developing countries, are too instructive to ignore. We do not want a repeat of those events that brought small countries to the brink of bankruptcy and social upheaval. Likewise, the financial community would be none the wiser, nor financially healthier, if borrowers failed to service their obligation. This is a painful, but real, fact.

All these challenges I have mentioned, and many more, will preoccupy policy makers, parliaments in particular, in the budget debate. With legislatures firmly holding the power of the purse, the debate would surely continue to be spirited, at the very least thoroughly instructive.

### *Representing the people*

- The advantage of parliament over the executive is its ability to be in touch with the needs of constituents, and that is a very valuable ingredient to the budget process ... The elected government should also take into account that the elected members of parliament are very much in touch with the communities that they serve often on a much closer basis than a ministry or the public service. Their views are of particular importance and they may have very sound ideas that should be followed in terms of reassessing some of the priorities in the budget. This is why the parliamentary budget process can add such value to ensuring that public expenditure meets the needs of the nation. Mr. East (New Zealand) ■

## **Budget Prospects**

The road ahead for budgeting and its support mechanisms and institutions is certainly exciting. The past several years have demonstrated many reform potentials that could change the way budgets are formulated, approved and executed.

Even in the normally staid world of budget-making, exciting things do happen. Thus, we see the developments in accrual budgeting and accounting in such pioneering countries as New Zealand and Australia, the institutionalisation of performance-based budget approaches, the strengthening of oversight budget functions by parliaments, and of course, most significant of all, the introduction of gender sensitivity in the budgeting process, a thrust that has captured the interest of many in these times when gender issues are dominating the development agenda.

## **Gender Budgeting**

I would not be able to give deserved justice to the significance of gender as a wide-embracing issue in the budget debate. Suffice to say that many have worked long and hard to bring this to the consciousness of both executive and legislative policy makers. In the words of those who have documented the philosophy and the practice of gender budgeting, the nature of this development is quite clear. Ms. Rhonda Sharp, a renowned expert, with others like her, have stated in very clear terms the developments in this area. May I read from their work?

Gender-sensitive budgets, gender budgets, women's budgets and women's budget statements refer to a variety of processes and tools aimed at facilitating an assessment of the gendered impacts of government budgets. In the evolution of these exercises, the focus has been on auditing government budgets for their impact on women and girls. This has meant that, to date, the term 'women's budget' has gained wide use. Recently, however, these budget exercises have begun using gender as a category of analysis so the terminology 'gender-sensitive budgets' is increasingly being adopted.

It is important to recognise that 'women's budgets' or 'gender-sensitive budgets' are not separate budgets for women, or for men. They are attempts to break down, or disaggregate, the government's mainstream budget according to its impact on women and men, and different groups of women and men, with cognisance being given to the society's underpinning gender relations.

Susan Himmelweit goes on to say "Few government revenue raising activities or expenditures are designed on the basis of gender. Indeed, many countries have been replacing measures that were regarded as discriminatory with gender-neutral approaches". For example, mothers' benefits have been replaced with child allowances paid to the person who is primarily responsible for the care of the child. Taxation rebates for dependent wives (sometimes referred to as 'married men's allowances') are being phased out or paid to a dependent spouse of either sex.

However, the goal of removing discrimination or achieving 'gender neutrality' should not be confused with the fact that budgetary policies can have significantly different impacts on women and men and on different

groups of women and men. Sometimes these differences can be justified to achieve certain policy goals and sometimes it can undermine social and economic objectives. However, to ignore the gendered impact of policy does not constitute gender neutrality; rather, it describes 'gender blindness'.

Good policy requires understanding both the impact of policy and how it might be better designed to achieve outcomes which meet the needs of women and men and girls and boys as well as different groups of women, men and children.

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#### **Why should we develop gender responsive budgets?**

There are two compelling reasons why every country, rich or poor, industrial or pre-industrial, should engage in gender responsive budgeting.

The first one is that the goal of gender equality is a recognised development goal in itself. It is a matter of justice. I know many men do not find this a very compelling reason. In fact, this human rights argument just seems to pass by a lot of male decision-makers.

There is another reason that I have found many men sensitive to: namely, the efficiency reason. There is now a lot of evidence to show that when you take steps to reduce gender gaps, gender inequalities and inequalities between men and women, that you achieve efficiency in the economy. A lot of data even from the institutions that previously would have been very famous for being gender insensitive. Ms. Byanyima (Uganda). ■

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#### **Concluding Remarks**

In the Philippines, we pride ourselves on having been among those who have recognised gender issues in national and local budgets early enough. I guess it is difficult to neglect this when you have a woman as President and another woman as Budget Secretary.

We are all at different stages of awareness and implementation of the issues confronting budgets and their gender perspective. This regional workshop will surely enhance whatever knowledge and skills we have gained in the past to further advance gender sensitivity into the budget process. ■



Ms. Winnie Byanyima  
Member of Parliament  
Uganda

## General introduction to the budgetary process, including from a gender perspective

Ms. Winnie Byanyima, MP  
Uganda

### Functions of a budget

The budget is the main instrument of economic policy at a government's disposal. It reflects the values of that government because it determines who will be rewarded, who is recognised for what. For example, the budget decides who will receive services of a certain kind, where will they be placed, how they will be used and so on and so forth. Jobs are created through the budget: So the budget determines which jobs will be created, where they will be created, etc. These are clearly political decisions but they affect men and women in different categories differently. Certain assumptions are made in the budget, for example, about who the breadwinner or head of the family is. That person may receive subsidies or credits on behalf of the household he or she is assumed to head. When those assumptions are made without recognising the different situations of men and women, inevitably, differential impacts result.

We are members of parliament. We pass budgets every year. Most of us know that one primary function of the budget is to **allocate resources**. Government provides public goods and services through the budget. We are very conscious of this because we want these goods and services to be available for our constituents, otherwise, we do not get re-elected.

Secondly, we know that a budget can be used to **distribute wealth and income**. This is very important especially to those of us who represent poor communities. We understand and accept that taxes are collected preferably from the rich and redistributed in some way to poor and disadvantaged groups. So, it is a function of many governments to reduce inequalities between groups of people, between different kinds of households, and for gender equality advocates, we also add that governments have the duty to re-distribute within households. This function of redistribution is also a political function that politicians are usually very conscious of.

The third function, that of **stabilising the economy**, also a very important function, is often one which politicians are not so conscious of. The budget can be used to achieve growth rates, reduce fiscal deficits, control inflation, stabilise prices and so on, maintaining what is known as macro-economic stability.

The way the budget is used to achieve these three functions can affect men and women, girls and boys differently. Because budgets are written in figures without any mention of men or women or girls or boys, it is often believed that they are written in a gender neutral way. However, gender neutrality in budgets is better termed as gender blindness, because, in fact, men and women are placed differently in any economy and are affected differently by budget decisions. The roles that men and women play in an economy are not exactly the same. The relations that men and women have with respect to economic transactions are also different and unequal. So if a budget looks at men and women as if they are all the same, that budget is blind to the fact that it is likely to, or it must, in fact, impact on them differently.

### International trends in budget cycles

Consider the national budget cycle and its stages:

- The formulation stage is mostly done in the executive branch of government;
- The enactment stage, when the budget is brought before parliament for approval;
- The execution stage or implementation, when the budget goes back to the executive branch; and
- The monitoring and auditing stage, where it is returned to the parliament.

There are many trends in the world that are affecting budget cycles and which are consequently inciting reform.

Increasingly, parliaments throughout the world and civil society have been claiming more and more space, more and more roles in formulating the budget. In fact, in some countries, parliaments, through legislation, now play a very important role in budget priority-setting. It is no longer primarily an executive function. Many civil society groups, such as chambers of commerce, private sector groups, industrial groups, trade unions, and farmers groups play an important role in the formulation stage. Most importantly however, civil society has usually had its voice heard in the enactment stage, through parliamentary committees holding public hearings to appreciate the views of stakeholders and consider them in budget debates. All these are important entry points for those who want to look at budgets from a gender perspective.

One of the reasons that budget cycles are changing is the wave of democratisation that has gained momentum particularly in the 1990s. As more and more countries revise their constitutions, embrace multi-party systems and increase the participation of people in governance, there are more calls for deeper participation. Round the world, people are saying, "It's not enough to go out and vote. We must move beyond voting. We must take part more concretely in every decision of the government, including decisions about the budget." So this call for deeper participation is part of the push towards budget reform. This whole notion of participation, of having every stakeholder represented, including women who used not to be heard, has played a key role in defining the new wave of democratisation.

Furthermore, poor and indebted countries, many of which are in Africa, have been calling for the cancellation of public debt. This debt, of course, has its roots in the 1970s, when petroleum prices exploded and the so-called petrodollars were lent to poor countries with dictatorial and unaccountable governments. Most of this money was not well-used and left many poor countries heavily indebted.

The call for debt cancellation has been accompanied by calls for greater transparency and accountability in democratic and budgetary processes. Both the lending and borrowing countries agree that if this debt is to be cancelled, there must be some assurance that the recipient countries will not fall into the same debt trap again. There is more commitment to ensuring that new borrowing is be used more responsibly. New loans should be loans that will benefit the poor. Demand for more transparency in contracting new loans and in monitoring how the money is spent has increased pressure on the budget cycle to be more participatory and more open to all in society.

There has also been a paradigm shift by the international financial institutions from what was called 'structural adjustment policies' to a new focus on poverty eradication or reduction. The shift from structural adjustment, which was seen as narrow and imposed by, in particular, the IMF and World Bank, to a poverty reduction focus, where the poverty goals are determined by the poor themselves in a participatory way, has also resulted in a different perspective on the budget. The budget has become a key instrument in poverty-reduction strategies.

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#### The budget cycle and longer-term planning

- Debating the budget in a multi-year framework, provides more opportunity for the budget to address the real problems in the society. Mr. Morin (Indonesia)
  - If one has a medium-term perspective in terms of the budget, not a medium-term budget, not a three-year budget, but a three-year planning framework with a one-year specific budget, this gives parliament the opportunity to see the broad economic and financial picture facing government, and then it can debate the specifics. However, a government must have a fair amount of resources to be able to develop a medium-term expenditure framework. Mr. Staphenurst (World Bank Institute). ■
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Finally, of course, we have seen the advent of performance-oriented budgeting, which is particularly important for gender-equality advocates. When budgets are written in a manner that emphasises the outcomes of the budget, rather than the control of budget resources, then it becomes more possible to analyse how the same budget impacts on men and women. Medium-term expenditure frameworks have also been introduced in the budget process. These three-year rolling budgets provide for longer-term planning than the one-year budget, and from a gender perspective, make it easier to introduce and implement gender programs.

#### *Parliamentary approval of loans*

- We have a law in the Philippines that fixes a ceiling on the amount of loan that the government can incur. That law sets a limit on the total level of public sector debt, especially foreign liabilities that the Philippine government can incur. We do not have a ceiling on the proportion of the debt servicing as a percentage of the budget. What we do have a ceiling on is on the total stock or the outstanding stock of debt. Ms. Boncodin (Philippines)
- We have written in our Constitution that all loans must be approved by parliament. Parliament, through its committees, scrutinises and approves every borrowing by the government. Moreover, the budget is more tightly controlled by the parliament and by civil society. The way the money is spent is also monitored very closely and audited. Therefore, we take responsibility for future borrowings. Ms. Byanyima (Uganda).
- In New Zealand, the government cannot borrow without the authority of parliament and the parliament is entitled to have a clear explanation as to the type or amount of borrowing sought and the purposes for which that borrowing will be used before it can ensure to grant authority to the government to borrow. Furthermore, if the government should borrow more than authorised or should use the borrowings for purposes that are not authorised, it would be acting unlawfully. If it was acting unlawfully, there would be issues about the security for the lender and in those circumstances the government would not be able to find a lender that was prepared to advance the funds, so they themselves would provide a discipline and it would also be possible -- or this would cause a great constitutional conflict for action to be taken in the courts to prevent the government from proceeding because it did not have the authority of parliament. Mr. East (New Zealand)

#### *Loan conditionalities and the burden of the debt*

- I have always found these loans to be much more expensive than if they were financed from domestic sources. I think it is our fault that we are trapped into this situation. The reason why we are compelled to do this is because we are not ready for projects. We just wait for them to tell us which projects they can finance. And, of course, these being banks and creditors, they have specific areas of concern that may not necessarily be consistent with our own priority programs and projects. Ms. Boncodin (Philippines).
- You take those loans from foreign countries, donor countries. They give you loans at a very nominal rate of interest, say one per cent or two per cent. Term of payment is about 30 years, 40 years. Once you receive the money however, once the payment is ready, they impose, they dictate terms and conditions for the receiving country ... We, the receiving country, have to take a loan. The terms and conditions mean that over 30 years you pay a very big sum of money. We are finding it very difficult to balance the budget. Sometimes about 10 per cent or 20 per cent of GDP goes towards payment of loans and interests. That is the difficulty and the country suffers. Mr. Fernandopulle (Sri Lanka) ■

## The Ugandan Budget Act

In Uganda, we have been undergoing a process of changing the budget cycle to make it more participatory, more transparent and more democratic; last year, after about five years of hard campaigning, we were able to pass a Budget Act introduced as a Private Member's Bill.

This Act has increased the role of parliament in the formulation stage and also in the monitoring stages. Most significantly, the Act established a Budget Committee, as a special standing committee of parliament, as well as a Budget Office. The Budget Office provides independent information and analysis of the budget and of the economy. This is very important if a parliament is to exercise effective oversight, and if it is to have its own source of information on the budget and on the economy.

The Budget Committee coordinates the parliament's response to government's proposed priorities early in the formulation stage. While the Ministry of Finance establishes its budget priorities, it is now required to bring those priorities before the Budget Committee, together with a prediction of how the economy is going to perform over a defined period. This is then analysed and debated and the parliament, through its oversight committees, debates these priorities and gives back feedback to the executive branch. This happens early on so that by the time the budget is tabled in parliament, there has already been an input, a considerable input, from the representatives of the people.

These changes have created greater opportunities for gender-equality advocates to raise their concerns. We have used civil society organisations to research and produce information and bring it before parliamentary oversight committees and the recommendations from this research have been used by the committees in their reports brought to the floor of parliament and eventually used in the budgets of subsequent years. There is also a proposal that we establish a gender budget subcommittee of the Budget Committee of Parliament that will ensure that gender concerns are taken into account in the committee's work.

The Ministry of Finance has also begun inviting civil society advocates, including advocates of gender budgeting, to its working groups. Indeed, gender budget advocates now sit on Ministry of Finance committees permanently, working with the executive branch every year in analysing budget proposals during the formulation stage. Because of the work of civil society groups on the budget, the Ministry of Finance has decided to form a special working group on gender in order to institutionalise gender budgeting in budget formulation.

### How is a gender analysis of the budget done?

Gender analysts consider three aspects of budgets.

#### 1) Different roles played by men and women (and by boys and girls) in the economy

We are all familiar with 'productive', or paid, work. There is also a lot of work done in households. It is in households where most care work is done, and this work is mostly unpaid and is usually done by women and girls. Unpaid care work is mostly invisible in the economy, in economic models and in budgets. Gender budget advocates consider it important to highlight the contribution of unpaid care work in the economy through gender budgeting. Gender budgeting exposes the fact that it is through the household that the labour force is reproduced, maintained and cared for.

Acknowledging the contribution of unpaid work is an important aspect of gender budgeting. Gender analysts have successfully argued that if unpaid work is not rewarded through the budget, a transfer of costs will arise somewhere else, in either the public sector or in the private sector. This is therefore an important dimension of gender budgeting.

## 2) Gender relations within the household and in the public sphere

Gender relations are asymmetrical because men and women, in all societies all over the world, do not enjoy the same power, social status, or economic standing in society. It is therefore important to consider how the budget addresses (or, perhaps, perpetuates) asymmetrical gender relations in the household and in public institutions.

## 3) Access to and control of resources by men and women

Wide gender disparities exist in access to, and control of, resources, especially in poor countries. A gender-responsive budget seeks to reduce the gender gaps created as a result of different gender roles, unequal gender relations, unequal access to and control of resources. Gender disaggregated data is required to be able to do this, however. Many countries have a lot of raw data that is disaggregated, but often, it is not published. International organisations, such as the UNDP, Food and Agriculture Organization, International Labour Organization, also have a lot of data that shows the different situations of men and women with respect to work, employment, health, education, life expectancy and so on. This is useful in gender budgeting.

### **Looking through the gender lens: the gender effects of poverty**

Poverty forecasting has brought to the fore the great importance of gender responsive budgeting. Through a participatory poverty assessment process, many grassroots men and women have been given the opportunity to explain what poverty means to grassroots people. Through these processes, we have come to understand that poverty among men and women often has different causes. It is very important for those allocating resources to address the cause of poverty to know that the causes and effects of poverty for men and women can be different. For example, many women fall into poverty when they lose a husband because property is passed from father to son, not from husband to wife. Most poor women access land and property through husbands or other male relatives but have no ownership rights. On the other hand, a man who becomes widowed does not automatically lose his property and fall into poverty.

Further, women and men often experience and react to poverty differently. For example, when a household is hit by poverty, men's traditional gender role of 'breadwinner' is seriously undermined. Men feel that society expects them to bring food to the table. When they cannot deliver this, Ugandan men have tended to escape, through alcohol or abandonment, fleeing their homes. This is a common reaction to poverty among men in Uganda and other poor countries where the male identity is linked strongly to family headship and financial dominance.

Women, on the other hand, when hit by poverty, do not abandon their homes because they feel that their primary responsibility is to care for children. Women's identity is not severely attacked because they are not failing to deliver food on the table. That is not considered to be their role. So, they stay at home trying to manage, trying to keep the family going. Negative reactions, however, can manifest themselves in women being abusive to children possibly because they are also victims of abusive husbands who have turned to alcohol or are undergoing stress.

Ultimately, a budget must look at men and women as different beings with different identities, with different roles, with unequal relations, with different rights of access to and control over resources. Governments and parliaments should therefore collect revenue and allocate revenue to men and women in a conscious way that empowers them to live more fulfilled lives.



Mr. Paul East  
Former Member of Parliament  
New Zealand

## The budget: purpose, composition and terminology

Mr. Paul East  
Former MP, New Zealand

The topic for my address is the budget: purpose, composition and terminology. At the outset, I would like to thank in particular the Government and the Parliament of the Republic of the Philippines for the generous hospitality that they have extended to me, and I want to congratulate and commend the IPU, the World Bank Institute and the UNDP for facilitating this very important seminar.

New Zealand was indeed the first country where women won the right to vote in 1893, and as a result, we are proud to say, it is the oldest democracy in the world. I should add, of course, that men are rapidly becoming an endangered species in New Zealand because we seem to have taken this to the extreme: the Head of State representing the Queen, the Governor General, is a woman; the Prime Minister is a woman; until recently, the Leader of the Opposition was a woman; the Chief Justice is a woman; the Attorney General is a woman; and the Chief Executive of the biggest corporation in New Zealand is a woman!

We do have a long history of parliamentary democracy. I do not wish to say that our way is the best but perhaps there is something to be learned from that experience. Despite the fact that we are a small and far away country, we have had one hundred years to refine our rules, our laws and our conventions. So, our country for many years has had the experience of a constitutional framework with an added foundation, a clear separation of the powers between Parliament, the executive and the judiciary.

There is, in our experience, always a tension between the first two, the Parliament and the executive. This tension dates back to the glorious revolution in England, when in 1649, King Charles I was beheaded for his attempt to usurp the role of Parliament. In New Zealand, as in the United Kingdom and under the Westminster model of government, the King or Executive Government is not able to impose taxes without the agreement of the public and that agreement comes, of course, from the Parliament.

Ever since then, in the Westminster system, Parliament has not been able to be taken for granted. There is no longer any rubber-stamping of the budget legislation by Parliament. Now, we all have different views and perspectives with respect to economics. During the course of my modest contribution, you might discern that I am a firm believer in the market economy. The standard of living delivered by an open competitive market economy in combination with a robust democracy is not accidental. I want to say to the gathering here today, if I may, through my political and parliamentary experience, you really have before you a great opportunity because the countries represented in this room do not bring with them some of the legacies from the countries with which I and others have represented. Your countries have energy and the people are self-reliant.

The budget process is vital. The budget process, properly administered, ensures that a country lives within its means. When a country does not live within its means, it leads to heartache in the longer term, and more often than not, that heartache falls disproportionately on the least well-off. The affluent can cushion and protect themselves. They can even prosper at times of high inflation and a falling exchange rate, but not so the poor of such countries. Governments, and parliaments in particular, must demand a high level of transparency in the national accounts to ensure that the market and the community and the public are well-informed about the state of each country's finances.

There is no place for 'Enron' or 'World.com' accounting in our national budget. It is the role of Parliament to ensure that that sort of thing does not happen in Government accounts. If the stewardship of the Government is not what it should be, then the markets will react. Interest rates and inflation may rise and the currency may fall and the Government will not be popular. In a democracy, that is something that no

Government likes. Parliamentarians are no longer politically able to get away with it and prudent fiscal management is far more likely to win support from the voters.

## Legislation

Let me deal with the New Zealand experience and the legislation that we have to handle these issues. The legislation in New Zealand, and I do not offer this as a model suited for everybody but as one which has worked well for us, really started with the election of the Labour Government in 1984 which saw New Zealand seriously in debt. The first major act of Parliament was the Reserve Bank Act which established an independent reserve bank with a Governor, able to adjust our interest rates and control monetary supply and ensure that inflation was kept within a certain band. It is the role of the Government to govern and the Government sets the band and the band in New Zealand is between naught and three per cent. This process saw the end of inflation in our economy.

The second act of Parliament relevant to the management of the budget is the State Sector Act. We have, as a legacy, a long history of what we would refer to as English trade-unionism, where everybody was considered the same and all expected the same opportunities. The State Sector Act swept that away and made each individual chief executive responsible for an assigned government department and that chief executive could hire and fire anybody in that government department. That chief executive has a contract with the minister who is answerable to Parliament, and that chief executive must deliver what the Government requires of them.

The third piece of legislation was the Public Finance Act which changed the way we set our accounts and I will deal with that in greater detail, but first and foremost, it introduced accrual accounting and did away with the cost accounting method so that we knew where our money was going.

The State-Owned Enterprises Act was also part of the general reform of government which ensured that government ministries became small policy units. Government departments that delivered goods and services that should properly be in the role of the government such as the Department of Correction and Prison Service, would remain a department. Other entities, which should operate efficiently like private sector companies, became state-owned enterprises. Some of them, in fact many of them, have been privatised; some have not, and I think the television in New Zealand and our post offices are examples of enterprises still owned by the State but which are required to run efficiently and actually compete in an open market.

Finally, the Fiscal Responsibility Act is the cornerstone of the disclosure requirements of our national accounts to our Parliament. That Fiscal Responsibility Act serves primarily to ensure that the Government follows responsible fiscal management, that it publishes clearly its intentions and objectives. I would say that all fiscal information, including all fiscal policy reports, under the appropriate rules, these being the generally accepted accounting practices, are referred to Parliament so that they can be properly scrutinised.

## Principles of Fiscal Responsibility

The principles of the Fiscal Responsibility Act, enshrined in legislation passed by the Parliament with a requirement of every Government to adhere to, are as follows:

- **Reduction of Crown debt to a prudent level** to provide a back-up against future adverse events by achieving and operating a surplus each year or at least each year where it is humanly possible;
- **Maintenance of Crown debt at a prudent level** by insuring that on average, over a reasonable period of time, total operating expenses do not exceed revenues;

- **Achievement and maintenance of Crown worth** which provides a buffer against adverse future events. Where a country has a balance sheet and the Parliament examines that balance sheet with, on one side, a record of its assets and, on the other, its liabilities, the Parliament wants to be assured that the Government has made provision within that balance sheet, so that, should there be some adverse effect where extra spending may be required, then that is available to the nation;
- **Careful management of financial risk** to recognise risk and where possible, to take steps to manage it; and
- **Maintenance of reasonably predictable tax rates** because it is our view that the wealth of our nation to the greatest extent is determined by the private sector and the investment in that private sector, and that will only happen when there is stability and predictability as to tax rates.

The Fiscal Responsibility Act also brings with it a number of public disclosure measures. I want to just touch on some of those measures so that you will be aware of the requirements in my country for the Government to report to the people through the Parliament.

The first is the budget policy statement. The act requires the Government to specify in a budget policy statement the broad strategic priorities for the upcoming budget, the fiscal intention for the next three years and its long-term policy objectives. Government must also state the consistency of its intentions and objectives with the principles of responsible fiscal management that are set down in that legislation. That statement provides a vehicle for ensuring that the intentions of the Government are, through reasonable planning, consistent and well-known, and if they are to be departed from, that there is an explanation for the departure.

In addition, there is a fiscal strategy report. This is published at the same time as the budget and encourages consistency between the intentions published in the budget policy statement and the actual budget decision. This report demands an explanation from the Government as to what variations there are in the budget and why they have been made. Then there are a number of other reports required under the Act. There is an economic and fiscal update projecting three years ahead, required to be tabled when the budget is presented to Parliament. There is a half-year economic and fiscal update, again with a three-year horizon which has to be tabled at the end of the year between the 1<sup>st</sup> and 31<sup>st</sup> of December. In New Zealand, we have moved to a financial year starting on the 1<sup>st</sup> of July.

Of particular importance is the fifth component required under this legislation and that is the pre-election economic and fiscal update which is required to be published covering three years, the horizon of three years, before any general election, and it must be published between 14 and 42 days before a general election. That requirement is there to ensure that the Government cannot conceal the state of the accounts and that the voters are well aware of the state of the nation's accounts before they vote in a general election. In early years, there had been pump-priming, there had been allegations of the state of financial accounts being hidden until it was too late and the election was over. This new measure puts beyond any doubt the state of the accounts and removes any ability for an incumbent Government to cover over anything that it might not want the public to be aware of.

## Budgetary phases

Now, having said all that, the Parliament then gets snowed over with information that it has to deal with. Before I go through that though, I thought it might also be of interest just to deal with the budget process and the interaction between the Executive and the Parliament in our legislature.

**Box 1: The Budget Timetable in New Zealand**

Phase	Period
Strategic phase	November to February
Preparation	November to February
New Initiatives	November to February
Review Baselines	February to April
Decisions	February to May
Budget Presentation	Before 31 July
Parliamentary approval	June to September

The first phase of the budget process is the strategic phase, and this happens from November to February when individual ministers meet with Cabinet committees or their Cabinet colleagues, and prepare a three-year budget for their departments. They agree on the key items of the budget and this information is set off in the budget policy statement to which I referred earlier.

This is followed by the actual preparation of the budget. Ministers and chief executives prepare draft budgets. They prepare agreements between one another: the contract between the Minister and the Chief Executive Officer which establishes what the Chief Executive Officer is required to deliver to the Minister. Together, they prepare the main instruments of the annual appropriation or the budget. This explains why the money is required and what it will be used for.

Also from November to February, new initiatives are considered. Ministers and their departments look at new spending and say whether they can afford it. Ministers also look at new revenue proposals examining the revenue base to see whether any amendments should be made to it.

A particularly taxing time for all Ministers of the Crown is the review of their baselines, the money that the department had in the last budget. Ministers and chief executives must look at the baselines of their individual department and see whether it is all valid and should be sought again in the coming financial year. There is generally a complete review of baseline expenditures, as we call it, taking place in each Government department during that period.

Then from February to May, the Cabinet, having heard and looked at these methods in Cabinet committees, reviews the work carried out and makes final decisions on ministers' proposals. Every Minister wishes to increase spending and the Cabinet must hold that on line and in some cases seek to decrease public spending.

Under our legislation, the budget must be presented to the House before the 31<sup>st</sup> of July, complete with budget estimates. From June until September, the Parliament will debate and decide whether the budget should be passed and that includes the fiscal strategy report, the budget update and the estimates which are included in the budget.

I suspect, with modifications, this process is not too different from the manner in which many countries deliberate budget decisions. In New Zealand, we have certainly found it very useful to have a clear template to work from so that everybody knows the timetable and nobody can be considered short-changed in not being able to achieve what they had wished.

### The involvement of civil society in the budgetary process

- Civil society involvement is very important. First of all, there must be a political atmosphere that allows citizens' participation. That is a prerequisite that politically, people out there can be active even without being informed of structures of politics. Sometimes this requires an enabling law or at least a constitution that guarantees these rights, and that is respected. The second prerequisite is to actually deliberately go out and generate economic literacy in civil society organisations. We found that our organisations, because they have been fighting for human rights and political rights, have those skills. Because they have always been excluded from this debate, however, civil society lacks economic literacy. Ms. Byanyima (Uganda)
- The participation of civil society in budgeting is a recent phenomenon in the Philippines. Budgeting was a mystery to a lot of people except to those who were doing the budget. Only budget people and those that do the budget in parliament really knew what the budget was all about. The first thing that we did in partnering with civil society was to invite them to be present when our Department, for instance, reviewed the budget proposals of the different agencies. We started inviting some civil society members to sit down with us when we heard the budgets of the different agencies before we submitted them to our Congress. I think in terms of advocacy, in demystifying the budget process and intervention in that process, we are slowly breaking the barriers. Ms. Boncodin (Philippines)

### *Involving civil society in the different stages of the budgetary process*

- The oversight committees start their work on scrutinising their sector policies on budgets. Each committee has about five to six weeks to scrutinise its own budget. During this time, each committee can have public hearings and hear the views of different stakeholders on the sector budget. For example, if it is an agriculture budget, there may be farmer's groups, women's groups, industrial groups, exporters interested in commenting on the agriculture policy and budget. Ms. Byanyima (Uganda).
- May I merely say that the executive is not exempt in its duty to consult with the people even in the planning phase of the budget cycle. It seems to me that consultation with NGOs, with civil society and other members of the public is not incumbent only upon the legislature but should also be part and parcel of the budget cycle, particularly in the critical planning phase. Rep. Marcos (Philippines).
- We, in the parliament, know that NGOs (or civil society) are a strategic partner of government because NGOs and civil society are representative of the grassroots level. The problem is, how can we identify which NGOs are best representative of the people? Indeed, we have a large number of NGOs in our country. At the same time, Indonesia consists of several thousands and thousands of islands, of many religions, and cultures. This is the problem. Mr. Mandan (Indonesia). ■

## Parliament's role in the budget

How then does Parliament deal with all of this information, the budget reporting cycle of the Crown as a whole?

The House of Representatives (in New Zealand we have a unicameral parliament) is ruled by our standing orders. These standing orders have very specific provisions as to how a parliament should deal with a budget. As an example, in our House of Representatives, we have Select Committees which are indeed the real engine rooms of our Parliament. All our Members of Parliament are members of one or more Select Committee. These committees are divided up under portfolios. There is an agriculture select committee, one for justice, transport, health, education, social services and many more. These committees can call witnesses, examine them and look at the detail of the budget process as well as the detail of any legislation. The most important committee, from the budget perspective, is the Finance and the Expenditure Committee which has the overriding task of examining the budget and the estimates. The various departmental programmes will be allocated to select committees, and those select committees have two months to consider those proposals before they will report back to Parliament and a debate takes place. The membership of those Select Committees generally reflect the membership of the House of Representatives or political parties. Some of them are chaired by opposition members of Parliament, rather than Government members of Parliament who take that task very seriously and, within limits, discharge it in a non-political manner, endeavouring to get the best value for the taxpayer's dollar for the programmes for which the Government is seeking authority. So they will look at each department's allocation closely. They have the ability to require the minister to attend the select committee and justify the expenditure. They will also require the Chief Executive and senior officials, in fact, any official of that department, to attend as well and to explain and justify expenditure. Committee meetings are all open to the press and are all recorded, and then there is a debate on the floor of the House when those committees report back. That is part of the budget process, and when the estimates are considered by our House of Representatives, it is the convention that the opposition will determine which particular government programs should be subject to debate. That is a further safeguard to ensure that the nation's finances are properly aired and debated.

The Budget Policy Statement, which is produced by the Ministry of Finance, is referred to the Finance and Expenditure Committee within six weeks of its publication.

In my view, one of the most important debates is the examination of the estimates of the budget where they go through the portfolio line by line, a clear indication of where the Government wishes to receive an appropriation from Parliament and how it wants to spend that money.

Once the Budget Policy Statement gets to the floor of the House, a rigorous examination of expenditure occurs in the Select Committee where the Minister responsible for that department will be required to appear along with the Chief Executive Officer. Many of the department officials will be questioned about expenditures. It is then referred back to the House where a debate takes place during which the Minister responsible sits in the chair and must answer questions directly from all of the members of Parliament about the expenditure in his/her department. The convention is that it is for the opposition members of Parliament to determine which items they wish to debate and for how long, within an overall time limit, they want to debate these particular subject matters. That, in my view, is a very, very compelling way of having the Government answer for its expenditure with the full glare of publicity from the press gallery on the floor of the House, after the Select Committees have had the opportunity of examining in detail the expenditure before bringing it back for public debate.

Now, there is another method of examining the performance of departments which also deserves mentioning because it is most definitely a matter of concern with regard to expenditure, and that is the ability of our Parliament, our House of Representatives to look at each Government department in a financial review debate. Under our Public Finance Act, each Government department has accounts, has a balance sheet, has an income and an expenditure account and presents an annual report. In that annual report, it describes how this meets the objectives that have been set forth by the Government. Each Government department's report is referred to the relevant Select Committee. Each Minister and Chief

Executive is usually required to attend and explain the year's activities (which is always after the year has finished) in terms of how well they have achieved the objectives that have been set for them.

So, there are really two cycles, not running necessarily side by side; one is the examination of the estimates table of the budget to find out where the money is going in the future for that financial year, and the other one is to some extent after the fact, and takes place after the financial year has concluded and examines the activities of the Government department in the preceding year. That second one, in my experience, is just as important if you are to achieve the maximum productivity and efficiency. Now, I am not suggesting that our system is perfect, but there may be something in what I have mentioned today that could possibly be of value to you. ■

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### What does Parliament need to fulfil its role?

#### *Attracting the right staff: conditions and pay*

- We have recruited staff through our Parliamentary Service Committee, some of whom were recruited from government by establishing a pay, a remuneration structure that is more attractive than executives. We have been able to take away from government, in order to strengthen ourselves, too. We consider this important because we have always come from a position of weakness in parliament. We felt that there was no way we are going to attract our nationals to parliamentary service without creating a pay structure that is attractive. Ms. Byanyima (Uganda).

#### *Expertise*

- The budget proposals are very complicated documents. They need a great deal of expertise and skills to process. Now, if parliament is going to make adjustments and amendments to these proposals without having the expertise, sometimes it may jeopardise the entire program of the government. Mr. Waruna Bandara Dhammika Dasayanaké (Sri Lanka)

#### *Access to information*

- One of the conclusions that has been put forward is that parliament has a key oversight to lead the budget process, or for any legislative measure for that matter. However, it has been observed that parliaments are often times fed with poor information or inaccurate information. How far have parliaments been able to check and validate the information being fed by the Executive branch? Ms. Buene (Philippines)
  - In Uganda, the budget office ... has a head who is called the "Budget Office Director". He is a very senior economist. Under him are other staff, mostly economists and social scientists: there is, for example, a macro-economist; an expert on industry-labour issues; an agriculture economist; and there are other social scientists and a statistician. They have also created their own databases of information from government, from the World Bank, from academia, from different sources. They are therefore able to collate information from the different agencies of government, like the Revenue Authority, and other departments, and the Central Statistics Bureau. They are able to bring together information, analyse, and respond to our own request for information. This body, this new budget office has been a very important structure for us in our debate on the budget. For the first time, we have got even more information than we are able to use because previously, we depended on a few parliamentary clerks who served the various oversight committees. We never had a fully-fledged office with a lot of information it is generating and an analysis of its own. This is very important to have effective oversight on the budget. Ms. Byanyima (Uganda).
  - In some countries where there are inadequate parliamentary resources for either the government party or opposition party and parliament as a whole, the political parties, separately, have developed quite close links with non-government organisations, with academic think tanks and so on to get the kind of analysis and information that they need to be able to make informed decisions and contribute to national debate. One NGO that, I think, has been very successful in this regard is the Institute of Democracy in South Africa that provides a lot of input to parliamentary committees and to individual MPs on the issues being discussed in the budget. That NGO has a staff of 20 analysts looking at budget issues and gives an independent perspective on the analysis of the budget as it is presented. Mr. Staphurston (World Bank Institute). ■
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Mr. Rick Staphenurst  
Senior Public Management Specialist  
World Bank Institute

## Accountability and transparency in the budgetary process: parliamentary tools and mechanisms

Mr. Rick Stapenhurst  
Senior Public Management Specialist,  
Governance Regulation and Finance Division,  
World Bank Institute

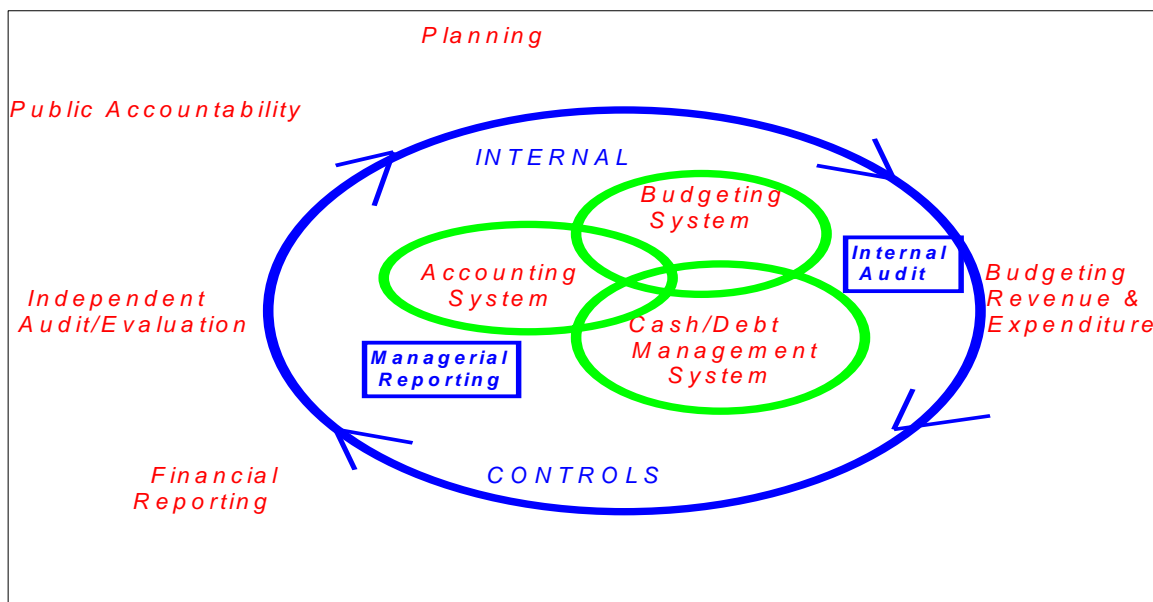
My presentation will comprise three main components:

- The concept of the budget cycle process and the role of parliament within it;
- Ways in which stronger parliaments are improving economic strategy; and
- Implications for gender and poverty policy strategies - highlighting priorities for parliamentary action within the budget cycle process.

First, let me summarise the budget process. The budget is an ongoing set of governance activities which shape government financial planning. It presents broad economic choices on national policy priorities and it sets spending and revenue patterns, shaping what happens to specific sectors, and services. It is of vital importance to the economic well-being of a nation, as it both affects income distribution and social change and impacts on the overall level of economic activity via aggregate demand, inflation and investment.

Before going any further, let me distinguish between the budget as a single event, the presentation of pre-determined revenue and expenditure level by government to parliament for consideration and approval, and the budget cycle process, which sees the budget as a system of planning, budget approval, financial reporting and independent audit.

I think that the budget process cycle can best be illustrated through the following diagram.



Note that there is a set of internal controls in the budget cycle comprising internal audits, managerial reporting and cash/debt management --- all controlled by government, typically the Ministry of Finance.

There are also external phases to the budget cycle --- of planning, authorising and reviewing budget spending in detail, financial reporting by government and independent audits. This external focus, on public accountability, is where parliaments can play a major role in the budget process.

Parliament is the one place where there can be broad debate on policy goals and objectives. Parliamentary committees can monitor, review, assess and make suggestions. MPs can question Ministers and hold special meetings to probe government policy. Most importantly, committees can organise public input across the country both before and after the budget. The Public Accounts and similar oversight committees, with the National Audit Office or Auditor General, play a key “watchdog” role.

As you know better than I, in all too many countries, parliament is not playing this important role in the budget cycle. Indeed, parliaments themselves often restrict their role in the overall budget cycle. They do not provide input into the planning stage of the budget, they do not demand regular financial reporting from government and all too often, independent audits are late, and parliamentary oversight committees do not have adequate resources to scrutinise public accounts.

Yet the budget cycle is the key vehicle which allows parliamentary participation in the shaping of national policy priorities. It should be noted, too, that parliamentary participation can be especially effective if the budget cycle can be set in a multi-year framework. Thus, governments are required to present (for example) three year rolling budgets that describe broad expenditure priorities over the medium term which allows greater debate and influence than if only single-year budgets are presented to parliament for approval.

Let me turn now to the ways in which greater parliamentary input into the budget process can contribute to better national economic policy.

Here, let us first debunk the argument that parliaments should not play a greater role in the budget process, because parliaments only want to increase spending, and so worsen budget effectiveness. Recent evidence from many countries runs counter to this. Rather, greater parliamentary involvement typically leads to greater government accountability and transparency, substantial national consensus regarding macro-economic policies, and greater possibilities for community-level input.

Let me review some of these aspects. Through greater parliamentary involvement, greater transparency and government accountability is gained. Instead of budgets being prepared behind the locked doors of the Ministry of Finance, there can be wider public participation and, not unrelated, better economic performance and a greater focus on poverty reduction. Here, parliamentary committees usually play the lead - and the Finance, Budget and Public Accounts Committees (or their equivalents) are particularly important.

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#### Parliamentary oversight and privatisation

- In Sri Lanka we have a problem with some institutions being owned by the government and the private sector. We have a partial privatisation program. For example, let us say that you sell 49 per cent for private company and the government keeps 51 per cent. When you sell this organisation to private companies, you give the full management to the private party. We have this parliamentary committee on Public Enterprises. The duty of the Committee on Public Enterprises is to examine their accounts. Yet now, when we want a company which has been partially privatised to come before the Committee on Public Enterprises to examine their accounts, they refuse to come. Mr. Fernandopulle (Sri Lanka)
  - Parliament should definitely have authority and there should be legislative requirement in terms of the privatisation of projects. And when state assets are privatised, that should require the approval of parliament. Mr. East (New Zealand) ■
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In terms of national consensus-building and building linkages at the community level, parliaments and parliamentarians again can play a major role.

Individual MPs can work at both the national and at their constituency level to draw in many civil society groups - including those which represent the poor and the underprivileged - and thus counter historical privileged access to public influence by the wealthy.

Other vehicles that parliaments can use to help build public consensus around the budget are National Economic Forums and local parliament committee hearings at the community and district levels.

All too often, parliamentarians tell me that they do not have sufficient resources to play an effective role in the budget cycle, to hold public hearings, to play a proactive role at the constituency level and to help build national consensus around budget issues.

Parliaments often have access to alternative information and analysis and to community groups and civil society organisations. In Canada and the Netherlands, for example, Parliament has worked with various business and labour groups to help build consensus and obtain public input on key policy issues, while in South Africa, Ghana and Ukraine, parliament's own research and analytical capacities are enhanced by input from independent NGOs.

Let me skip over economic strategy issues and turn directly to the ways in which the poor can be brought more fully into the budget process.

It has to be recognised up front that most parliaments have been reluctant to engage closely with small, community-based civil society groups of the poor. There are exceptions however: in South Africa, for example, parliaments have developed personal petition systems that are treated seriously by MPs and which give ordinary citizens significant input.

In the final analysis, a key question is: does money spent actually result in positive, sustained benefits to the poor - including women?

One of the concerns is that in many countries a disproportionate share of the budget is allocated to the salaries and benefits of public sectors employees - meaning that there is often too little left over for programs and projects. Energetic parliamentary oversight is needed regarding public service performance.

Let me focus, for a moment, on the *ex-post* aspects of the budget cycle. Parliaments have a major responsibility to assess whether policies and program expenditures, in particular, are getting results. Here, parliaments have to emphasise the importance of monitoring, including the encouragement of participation by the poor, and ensuring that there is a feedback from the lessons learned from the audit and evaluation phase in the budget cycle back to the planning phase of the next cycle.

To conclude, parliament has a key oversight tool in the budget process; some of the tools and mechanisms that parliament has available to it include:

- Parliamentary committees (especially Finance/Budget and Public Accounts and other oversight committees);
- Outreach by MPs to civil society and other groups;
- Public hearings, both at the national level and the local/district levels;
- Strategic partnerships with non-governmental advocacy and think-tank organisations;
- Personal petition systems;
- Evaluation and monitoring - again, ensuring public input and alliances with the media. ■

## Holding the Executive to Account and Ensuring Transparency

### *Transparency*

- We all agree on the need for transparency, but the question really is how public is the process. The process is public in the parliamentary arena, but not so public in the executive government arena. I suppose there are reasons for that. In terms of the executive government, it is a bit like an iceberg; you see what is on top of the water but there is a fair bit going on underneath the water that is not public. There is an argument that there needs to be an element of privacy about it, to allow ministers to make decisions about allocating resources. Mr. East (New Zealand)
- Obviously, one does not want to have – prior to the approval of the budget or presentation of the budget – people knowing what the increase in taxes will be or changes in tariffs or the details of the revenue side or even the expenditure side perhaps. I think, though, that there should be much more public input and much more transparency in terms of the broad economic context within which the budget is formulated. In terms of the broad government policy priorities that will be addressed in the budget. Mr. Staphurst (World Bank).

### *Accountability: Parliamentary mechanisms*

- In terms of requesting the government representative to come and answer any questions regarding the budget. In Cambodia, we have quite a tedious barrier to convoke a representative of the government to come and answer the question. Sometimes, it takes at least about one month because you have to go officially to the President of the National Assembly. We have to ask a question, and sometimes, just writing a question is not enough to get what we want to know. Ms. Sisowath (Her Royal Highness, Princess, Cambodia)
- There is a system of parliamentary questions: every sitting day in parliament, there is a period set aside at the beginning of the parliamentary day for members of parliament to ask questions of ministers, they call these government questions of the day. Ministers are aware of those questions in the morning, prepare the material and guide the parliament and they are required to answer questions that are put to them by members of parliament with the Speaker presiding. Mr. East (New Zealand)
- The former speaker of the Canadian House of Commons told me this anecdote a number of years ago. One of the additional mechanisms that parliaments have to hold governments to account is question period, when members of parliament can question ministers. A number of years ago in the Canadian House of Commons, I believe Ministers required three months' notice to answer a question. Parliament said to Government, "Is that the best that you can do? If you are asked a question, do you really need three months before giving an answer?" The response from Government after some consideration was, "No, we think we can do better than that." In the next parliamentary session, I think the deadline was reduced from three months to one month. The question came up again – "You know, is this the best you can do? I am sure you could be more accountable than that." Subsequently, it was reduced to a week. This happened again and I think now it is something like less than 24 hours. It is by saying to Government, "Is this the best you can do?" that things progress. If the Government turns back and says, 'Yes, this is the best we can do', the newspapers, you know, will have headlines saying "Government cannot provide answers in less than three months". I do not think that would go very well with the electorate. Mr. Staphurst (World Bank).
- In my view and certainly what I have seen around the world, parliament can derive tremendous power from the fact that it represents the people and the more it gets input from the electorate into its own deliberation, the more power it has vis-à-vis the executive arm of government. Mr. Staphurst (World Bank).

***Public input: a more inclusive approach***

- There is an ability for members of the public or groups and organisations to petition parliament. They can draw up a petition which must be in a certain way and it will be tabled in the parliament. There is a particular committee called the "Petitions Committee" which deals with these petitions, and members of parliament sit on that committee and consider the merits of the individual petition. It can be a time-consuming process, but it is a way of ensuring that public opinion can be considered by the parliamentary process, and that can transfer over into the budget process as well. Mr. East (New Zealand)
- In addition to having committee meetings in the rural areas and in some areas, the petition office in South Africa will actually hold workshops for the poor, on how to engage with parliament; how to develop a petition. And the whole point of these workshops is to try to make parliament more accessible to the poor. Therefore, parliament becomes more representative of society as whole, including the poor. Mr. Stapenhurst (World Bank).

***The role of the Opposition in ensuring transparency***

- The role of the opposition is to oppose, but, of course, we should oppose constructively. We engage in constructive opposition. Mr. Mohamed (Malaysia).
- In a situation where the executive has a clear majority within the parliament, how do you – or what mechanisms can be established to stop the Parliament from being just the representative of the Executive? Ms. Pires (East Timor)
- A strong government has a strong legislature. Or a strong legislature produces a strong government. In Malaysia, the government has more than a two-thirds majority in the parliament. It is a very strong Parliament and a strong government. My comment here is that a strong government tends to be less transparent as far as government business is concerned, and I think here we need some highlights on how to redress the issue of transparency as against a strong government. Mr. Mohamed (Malaysia)

***The role of the media***

- There is quite some potential for parliament and for the media to work together and I do think that there is a lot of room for collaboration. For example, holding committee meetings in public, allowing the media to cover the deliberations by the Public Accounts Committee, where the media can report on the questioning that takes place of senior officials. Mr. Stapenhurst (World Bank).
- In the Philippines and, I believe, in many developed countries as well, the role of media in the budget cycle in promoting public awareness has frequently been even more pivotal than the role of non-government institutions and I think this is a development that should be encouraged in the direction of transparency and accountability. Rep Marcos (Philippines).
- The media can play a role in supporting the functions of the national audit office by covering the audit report when it is published. Government hates to see headlines like "Auditor general finds \$5,000,000 misspent by government." Mr. Stapenhurst (World Bank). ■



## Accountability and transparency in the budgetary process: the national audit

Mr. Paul East  
Former MP, New Zealand

I will briefly outline our experience in New Zealand and then perhaps raise one or two issues which may prompt further debate. The Audit Office in New Zealand is described as an office of Parliament and carries out its functions under the authority and for the benefit of Parliament. The Auditor General is required to report to the House and to Select Committees on whether the Government has conducted its business in accordance with the intention and authority of Parliament. The role of the Audit Office is essentially to provide Parliament with an assurance that all expenditure of public money has been properly authorised and accounted for and that the information presented to Parliament is fair and correct. The Auditor General's office is only one of the offices of Parliament. We also have as an office of Parliament a Parliamentary Commissioner for the Environment, probably a result of considerable pressure from the Green Movement ten or fifteen years ago, which elevated environmental issues to such an extent that it was considered that there should be an office of Parliament to independently advise the House on environmental issues.

A third group of officers are the Ombudsmen. That is the office that looks into malpractice by the Government. I am sure you have heard of Ombudsman and being gender-neutral. I must say that that is an old-fashioned term but there are women Ombudsmen in some countries. Ombudsmen look into and consider complaints from the public and report to Parliament.

As regards the manner in which an Audit Officer would operate in a system such as New Zealand, Australia and the United Kingdom, as well as other different jurisdictions around the world, there are in fact three basic types of audit: financial, compliance and performance and they form the three categories into which audits are normally broken down.

A financial audit allows the auditing authority to assess the accuracy and status of the financial accounts that may have been presented by any department or Government body.

The compliance audit empowers the auditing authority to check whether Government revenue and spending has been authorised and has been used for approved purposes. These transactions are reviewed to determine if Government departments and agencies have abided by all and proper laws and regulations. This process will include checking the parliamentary authority in the budget and any other relevant legislation there may be.

Third, and in my experience a growing field for Auditors General and auditor's offices, is the performance audit or, as we say in New Zealand, the "value for money audit", which determines whether taxpayers have received value for their taxes.

Now, an Auditor General in doing this would work closely with an expert or experts in a particular subject providing advice and reviewing the results. The responsibility or role of conducting "value for money audits" can vary from country to country. Sometimes it is restricted to just reviewing the operational efficiency of a Government department. In other cases, it goes beyond looking at the efficiency and value for money of the workings of the Government departments and goes further into the community to see whether the programmes being paid for are achieving the desired objectives. If it is a poor result, that may have nothing to do with the excellent way in which a Government department has performed its duties: it may just be tailored in the wrong way or there may be something in the community infrastructure which does not allow proper audit performance to be achieved. Some value for money audit checks are what we refer to as the "outcome of programmes", while others are simply restricted to seeing how efficient the department is in delivering its role for the Government.

Now, there are one or two matters I should particularly mention about the office of the Auditor General or some supreme body that conducts an audit for a parliament. As I have said, there is a Select Committee chaired by the Speaker which is the Officers of Parliament Select Committee. That body is responsible for ensuring that the office of the Auditor General receives sufficient funds to do his [or her] job.

The second thing to mention is the appointment process of the Auditor General or the supreme audit authority. The key to a successful Auditor General or audit authority is independence, independence particularly from the Executive. Consequently, the appointment process is critical. So in countries such as mine, convention requires that it is not the Government that appoints the Auditor General but Parliament. This is done by a motion of the House and it is moved by a Government Minister, but convention requires that the motion be passed by a considerable majority. The Minister responsible for this appointment process will meet the leaders of other political parties and they will discuss suitable applicants. Until there is support across the political parties for a particular appointment, that appointment will not be put to Parliament which means there will never be an appointment which succeeds just barely because of the votes of the Government who might be in the majority. This process ensures that there is confidence right across the Parliament in the independence of the Auditor General. I come back to that being the key quality. Of course, there are issues surrounding the qualifications of Auditor General. They must be well-qualified, well-experienced and know what they are doing. There are also issues about the resources that are available in terms of staff to probably do the job.

In my view, the key fundamental issue is one of independence, so that the Auditor General can report fairly to Parliament. There are other issues that arise from time to time and they normally relate to the mandate of the Auditor General, the size of the role that the Auditor General is given. In my experience, governments sometimes seek a more restrictive role than Parliaments want. Auditors General in jurisdictions like mine not only audit government accounts, they are also responsible for auditing local government so they bring to bear the experience they have with central government to ensure that a local government complies, and they do the three types of auditing that I outlined in that regard. They may also audit the bodies that are controlled by the Government but are not necessarily Government departments. In New Zealand, there are entities such as State-owned enterprises that are still owned by the government but operate in the private sector: television in New Zealand, the Post Office, other such bodies. They may have their own auditors but the Auditor General will also audit them and that is an important issue as well because the Government should take responsibility for all its operations, including those that operate outside the normal structures of Government ministries and Government departments. ■

### Gender responsive budgets: an oversight tool

- There is a project that we recently borrowed money for. It is called the Nutrition and Early Childhood Development Project. We borrowed more than 40 million dollars. It was supposed—it is supposed to go to so many districts of Uganda to help reduce the level of stunted growth in children under five because it was discovered that almost half of all the children of Uganda have stunted growth. In our agenda budget initiative, we have decided to use one of the tools of gender budgeting which is called a beneficiary assessment, to critically examine whether mothers and their children have benefited from these funds and by how much. We are going to trace, to track the money from the source up to the mother. First of all, we shall track the revenue, how it has flowed down to the mothers and we shall also do an analysis of the perceptions of the mothers at the grassroots and compare that too. This is where tools, such as gender analysis of budget of projects become very, very useful in the hands of parliamentarians to know really whether or not we are helping the future of our children.  
Ms. Byanyima (Uganda). ■

## Accountability and transparency in the budgetary process: the national audit

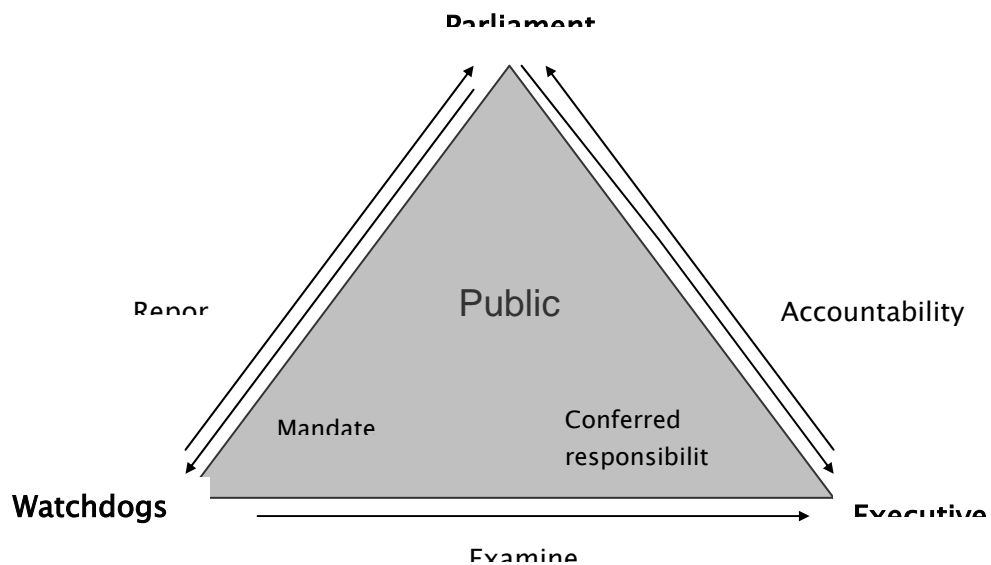
Mr. Rick Stapenhurst  
Senior Public Management Specialist,  
Governance Regulation and Finance Division,  
World Bank Institute

While my presentation will focus mainly on the role of the national audit in the budget process, I would like to start with a definition of financial accountability and a simple schema to summarise the fiduciary accountability of governments.

In a general sense, we can define “accountability” as the obligation to answer, coupled with an ability to respond. More specifically, financial accountability is the relationship between the Executive and the Legislative, based on the Government’s fiduciary obligation to demonstrate and take responsibility for performance in the light of agreed expectations regarding the management and use of public funds.

To describe this diagrammatically, we can consider a triangle of fiduciary obligation. Parliament confers responsibility to the Executive, and, at the same time, requires accountability reporting from the Executive. At the same time, watchdog agencies - principally national audit offices - examine the performance of the Executive and in turn report to Parliament.

### THE TRIANGLE OF FIDUCIARY OBLIGATION



This system, a mirror of the budget cycle described earlier, comprises an inter-related set of institutions and institutional arrangements, namely:

- The preparation of government estimates;
- The reporting by the government to parliament of:
  - achievements; and
  - public accounts;
- Third-party verification undertaken by a national audit office, or auditor general;
- Parliamentary review and oversight, through the Public Accounts and other Committees.

Particularly important is the right to information.

We talked yesterday of the need for greater public, as well as parliamentary, input into the budget. This means that the form and content of the budget and estimates should be both informative and understandable; that government reports are timely and give a fair presentation of the facts; that public audit reports are relevant and useful; and that parliamentary oversight is open (in that it encourages public participation), conclusive and makes a difference.

The bedrock of this system is the right to information. If information is not freely available, if governments try to hide how government works, then government accountability is a farce.

Budgets need to present both spending levels and government priorities.

To draw a parallel with the budget cycle diagram, parliaments approve funds for specific purposes, and, implicitly, that the public will receive value for money for government spending. Parliaments will then require compliance with these approvals.

In parallel, the government is responsible for internal financial control --- looking at economy, efficiency and effectiveness.

The principle institutions in this legislative oversight system include:

- Public Accounts Committee;
- Public audit;
- Legislative scrutiny;
- Access to information;
- Media;
- Government action taken.

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## The Auditor General

### *Some examples*

- In our country, we have a Commission on Audit which is the supreme audit agency in our country. It is a constitutional office and it is a commission composed of a chairman with two commissioners. Their terms of offices are fixed in our Constitution. They are in office for seven years and they cannot be removed unless they are impeached by the legislative process. The chairman and the commissioners of our Commission on Audit are appointed by the President and their appointments are confirmed by the Commission on Appointments. ... Our Commission on Audit does not report directly to Congress nor does it report directly to the President. It is an independent fiscally-autonomous body. The only one that can question its decision will be our Supreme Court. Our President does not have power over our Commission on Audit. Ms. Boncodin (Philippines).
- In Uganda, the Auditor General is nominated by the President and the nomination is approved by Parliament. Parliament has a parliamentary committee on appointments which screens and votes candidates who have been proposed for senior appointment by the President to the parliament. The Auditor General reports to Parliament and his reports are received by the Public Accounts Committee which scrutinises them and then reports to the whole parliament. Therefore, he is an official of Parliament, not an official of the executive branch. Ms. Byanyima (Uganda).

### *The Impact of Auditor General recommendations*

- May I merely observe that at least in our experience even when the auditing body comes up with very well informed and researched recommendations, these recommendations are never quite effected. Can we convert the auditing body's recommendations into compulsory requirements with sanctions and penal impositions? Rep. Marcos (Philippines). ■

At the World Bank, we have devoted some considerable time examining what criteria mark the effective supreme audit institution. We have identified eight issues which we can review and thereby determine the potential effectiveness of the national audit office:

- whether the head of the supreme audit institution (SAI) holds professional qualifications;
- whether the supreme audit institution is independent of the Executive arm of government;
- whether staffing (both quality and quantity) is adequate;
- whether there is adequate quality control of the audit;
- whether the SAI reports directly to Parliament;
- whether the reports are timely;
- whether the reports are publicised; and
- whether there is satisfactory follow-up.

In South Asia, our reviews indicate that legislative oversight is very weak --- that parliaments and auditors are fed poor information, operations are undertaken behind closed doors and follow-up is questionable.

The situation in Africa is even worse. A survey of 25 national audit offices found that only one office met all of the above criteria for potential effectiveness.

Without independent audit, parliamentary oversight is impossible.

### Conclusions

- Parliaments and legislatures are weak and there is a need to build capacity within parliaments, particularly within oversight committees.
- There is a need to strengthen national audit offices themselves.
- It is vital that the audit office have a good working relationship with the parliament.
- The relationship with the media is critical. If oversight takes place behind closed doors, it is unlikely to lead to effective action. If it takes place in public, in committee hearings, for example, or by the publication of audit reports, there is a greater likelihood that the government will follow through. ■



Ms. Remedios Rikken  
Director of Operations,  
Centre for Asia-Pacific Women in Politics  
Philippines

## Gender Impact Analysis of the Budget

Ms. Remedios I. Rikken  
 Director of Operations,  
 Centre for Asia-Pacific Women in Politics (CAPWIP)

Allow me to introduce myself. I am a community organiser from the Philippines. I have been organising people since 1962. I took a vacation from NGO work when President Corazon C. Aquino appointed me as Executive Director of the National Commission on the Role of Filipino Women in 1986. I resigned in 1994. Looking back at my experiences in organising people, I personally realised that women, too, need Gender Sensitivity Training. Way back in 1962, I was a woman organising women who never saw women. It took an International Conference in Sweden in 1974 for me to realise what I was missing.

Now together with men friends, we are trying to evolve "Gender Sensitivity Training" for men towards, hopefully, the development of the men's movement in Asia, "Men Talking to Men about Men." I hope that is good news for you.

### Gender, sex, men and women

Government policies and resource allocations impact on us as people, whether as individuals or as members of groups. You may ask, "Why?" There are characteristics which differentiate us as individuals and which assign us to broad groups in society.

**Sex and gender** are two such characteristics. Others are race, class, sexuality, age, rural and urban locations are others. If we look at race - the world has just discovered the terrible effect of racism during the recently concluded World Conference on the subject.

The concept of **social class** has evolved in the Philippines. Before, if one talked about class structure of Philippine society, one gets accused of being a Communist. Now we can talk about class and it is an accepted form of social analysis, although it took several years for that change to take place.

**Sexuality**, before the prohibition was - "Do not talk about sex in public discourse". They say good women are not supposed to talk about three things: sex, politics and money. Women are now claiming the right to talk about all three.

**Age** is something people have to come to grips with. Both women and men are beginning to ask what the issues of ageing are. For example, one of our problems in the co-operative movement in the Philippines is how to make our elderly leaders recognise that the young people cannot move up because they are blocking the way. We have no program for our senior citizens in the cooperative movement.

**Rural or urban location** is another factor. We saw that community organisers who are good in organising urban groups e.g. slum and squatter areas, which demand almost twenty-four hour attention, do not have the patience to organise farmers, where the phase of organising is slower.

**Sex and gender** are often assumed to mean the same thing, however, they have quite different meanings and these differences are important for policy.

*Biological Differences (Sex)* – these are difficult to change because we are born female or male. Throughout history and across cultures sex differences exist. Policies respond to sex differences in any area to do with the physical body, for example, childbearing and prostrate disease.

To explain further: sex is a biological term. Males and females differ from each other in several indisputable ways. They have different chromosomal make-up; different internal and external genitalia; and different quantities of various hormones. Most male and female humans also have different secondary sex

characteristics, such as patterns of body hair distribution, voice pitch and muscular developments. Thus we can define sex as the physical, genetic identity of a person. It refers to biological differences between males and females. These differences are fixed at birth and (apart from abnormalities) do not vary among human beings. Thus we can say we are born male or female, we cannot do much about changing our being male or female.

*Social Differences (Gender)* – Gender refers to the attributes and opportunities associated with being a man or a woman and the socio-cultural relationships between women and men and boys and girls. It refers to differences in the social roles and responsibilities of women and men, to the social behaviours and characteristics considered to be appropriate for women and men and to ideas about how these various activities should be valued and rewarded. These attributes, opportunities and relationships are socially constructed and are learned through socialisation processes. In most societies, there are differences and inequalities between women and men in activities undertaken, access to and control over resources, as well as decision-making opportunities. Gender is a broader socio-cultural context.

Unlike sex, gender roles can change over time in response to economic and social change. Because activities performed by women and men change more rapidly than societal norms, norms about gender roles often differ widely from reality.

I think this is where gender policy-makers have to be aware that gender roles are changing and that this has implications for policy. For example, policies can either respond to gender stereotyping and traditional gender roles (e.g. paying benefits on the assumption that only men are heads of households) or attempt to change them (e.g. taking into account the barriers preventing women and girls from participating in non-traditional training courses). To give an example, in the late 80s in the Philippines, all our men in construction work were siphoned off by demands for construction workers in the Middle East. So there was local demand for work along this line such as welding, electrical work, masonry, and carpentry and the pay was good. However, in the Philippines the gender issue here was: "Oh, women do not do that. That is men's work." Since we wanted our women to respond to the demand and get better pay, we came out with a Strategic Gender programme. This was funded by ILO, through our Department of Labour and Employment (DOLE) and implemented by attached agencies. The "gender" problems we had to face were: (1) no women wanted to enrol; (2) the trainers were men and they keep telling the women: "Why are you taking this training? You are a woman"; and (3) employers did not want to employ them. In spite of these obstacles, we went ahead with the programme, since what we wanted to change were the obstacles themselves.

We even ran commercials on TV showing women enjoying doing "men's work". Well, the good news is those attitudes have change. Ten years later, many of our women are working as welders, carpenters, masons, electricians and getting better pay for it. They are in demand. So we call this move our response to the strategic gender needs and interests of women. It acknowledges the longer-term need to change gender roles so that women and men share more equally both the responsibility for domestic and reproductive work and the benefits of economic activity. This is what we mean by the impact of sex and gender on policy change.

### Gendered social relations

As far as these are concerned, we understand that women's oppression arises out of a system of gendered social relations which shape women's and men's position within society. Gender relations define the **position** of men and women in society; how they should **behave**; how they should **relate**. Sometimes when I do gender sensitivity training in the Philippines, and participants react by saying, "So much has changed between women and men", I usually make a joke that there are things that Filipino women and men cannot yet accept. For example, women cannot court men and ask for their hand in marriage. We still wait for men to court us. They all agree and give other examples where changes have still not occurred.

We know that men are sometimes also discriminated against or disadvantaged by the same social relations. For example, in the Philippines, we say men are the "*haligi ng tahanang*" (post or foundation of the

home). So society expects him to be the provider. Women are only the *"ilaw ng tahanan"* (the light of the home). Women are to be "protected" by men and dependent on men. Thus, a man's identity is his work. As a result, society condemns a man who has no job. So what does he do? Either he gets drunk instead of helping his wife with housework, which is a 'no no' in the Philippines, as men doing housework is thought to render the man "under the skirt of his wife". Or he abandons the family because he feels the oppression of the situation. Yet a woman who is not working is not equally condemned. However, if she does work, it is not equally valued as men's work. This is one example of how society divides women and men.

We also know that gender oppression will not be successfully tackled unless we address ourselves to both women and men. Many men and some women still ask the questions, "What do women want? What are they complaining about?" This usually happens when women seeking to assert their rights start to organise. Many point out that, relative to women in other countries, Filipino women have high status. We answer this by saying that we cannot deny the social visibility of some Filipino women, however, if status is defined as society's evaluation of a person's place in the social structure – including power, prestige and esteem accorded in that place – comparison with other countries is not relevant. If Filipino women's status is to be assessed in a meaningful way, it should be assessed within the society relative to the status of Filipino men.

However, making comparisons has been interpreted as creating conflicts between women and men. Thus we find the need to define – what gender awareness and sensitivity training is not. Gender awareness is not anti-men; is not pitting women against men; is not a gender war nor is it anti-family. It is recognising that both men and women are victims of their culture. Nevertheless, we also want to stress that it is overwhelmingly women who suffer most as a result of asymmetrical gender relations because most of our societies are still patriarchal.

### Women and Development

There has also been an evolution in the field of women in development. When women of the First World got together 30 or 40 years ago, they did not even know what they wanted. The first chapter of *The Feminine Mystique* by Betty Friedan, the book that exploded like a bomb in the 60s, is called "The Problem That Has No Name". Then women started naming their problems. From these problems, women discovered their issues, although at the beginning women's issues were considered by the rest of the world as "flower issues or soft issues". Until women claimed that "all issues are women's issues".

In the beginning, the question was, "How to integrate women into development?" Then women realised they were asking the wrong question. They realised that women have always been in development. Women are producers of development! Women are at the heart of development! The problem, however, is one of invisibility. We are invisible even to ourselves.

The previous efforts of women in development (WID) have sought to address women's rights and needs in special and separate development programmes. This was followed by a shift to Gender and Development (GAD). The GAD approach seeks to integrate women's needs into the wider picture. GAD emphasises the need to monitor the different impact of policies and programmes on women and men, girls and boys.

This shift in focus from women to gender recognises that the status of women cannot be addressed as a separate issue: it can only be addressed by considering the status of both sexes. May I repeat the definition of status – status is defined as society's evaluation of a person's place in the social structure – including power, prestige and esteem accorded in that place. The status of women and men cannot be addressed as separate issues.

I would like to pay tribute to the efforts of ESCAP over the past five years to encourage countries to produce statistics on men and women. I think that is one of the things we need to do: ensure that our national statistics show the status of both women and men.

Gender, as a form of social analysis, was introduced to the Philippines in 1986 by CIDA. CIDA invited the Harvard Team, authors of the Harvard framework, and asked them to introduce their framework to selected

Filipino trainers of social transformation groups, to feminists, government and non-government trainers using the facilities of the Asian Institute of Management. I was one of the participants of that first training/workshop. The training was very well appreciated and we have been using the framework ever since using case studies from the Philippines.

At the same time, we discovered development planning. At the beginning we were not conscious of the connection between gender planning and gender budgeting. Our basic concern was to see to it that in the planning process of our National Economic Development Authority (NEDA), gender issues were given consideration in all the planning items. Getting involved in this activity made us realise that gender issues pervade the lives of women and men and have economic as well as having social implications.

For example, in the Philippines, there is "gender tracking of professions". Women are allowed by their families to study and have careers as long as they are "women's careers". So most of our women are nurses, teachers, accountants or nutritionists, which, if you take a closer look, are careers which could be considered extensions of housework. Now this is being questioned. We are looking at why women are not in higher professions. Even as doctors, most women doctors in the Philippines are paediatricians, obstetricians, but very few surgeons.

There are social implications. Most of our women are active volunteers in the health and social welfare programmes of local governments – it gives them an excuse to get out of their homes without feeling guilty.

Gender also shapes our opportunities, our access to resources and needs. At our First Congress of Women in Government Service (WINGS), the first complaint the participants voiced was that women in government, our bureaucrats, were automatically disqualified for foreign scholarships if they had a child under two-and-a-half years old, but men do not face a similar disqualification. These are some of the things we changed. We were successful in lowering the heights required for police women. In addition, we are very careful in emphasising the fact the women are already overworked because it is used against them, i.e. there is no need to give them projects or involve them in activities when they are already overworked. In one case, women spent two hours fetching water leaving very short time for productive activities. We made the women and the project advocates conscious of the women's time budget – either they transfer some of the household activities to their husbands or children or, with their extra income, the women may decide to buy the water. In short, let the women decide.

There is growing awareness around the world that policies and measures affect women and men in different ways. Therefore, policies and plans need to be designed accordingly. That is why part of the objective of this seminar is to make us conscious of the need to design policies and plans accordingly.

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#### **Gender budgeting: a new way of looking at people**

- Gender budgeting is really a whole way of thinking and doing things differently in government. It is a new way of looking at people, looking at men and women in a different way and serving them as equal human beings. You cannot just look at it as a technical skill. It is really a matter of the mind, the changing of minds about who matters, the way we look at grassroots people, at poor people. It is really questioning our assumptions about who matters and who owns public resources. It is political." Ms. Byanyima (Uganda). ■

#### **Equity and Efficiency**

More broadly, why should governments be concerned with gender issues? One reason relates to equity. Many governments have a commitment to 1) promote equality among citizens, 2) reduce systemic disadvantage, and 3) redistribute resources from the haves to the have-nots. No government will tell you it will not do this.

A second reason relates to efficiency. Gender inequalities, apart from being unfair, are also costly, not only to women but also to men and children. The cost can be measured in terms of lower economic efficiency, lower output, lower development of people's capacities and lower well-being. My sister is in the garment business, and when her women sewers are absent because their children are sick, the company cannot meet its shipment deadline which means that they are forced to ship their finished goods by airfreight rather than by ship, thereby increasing the overall cost.

### **Men and Women in Different Roles**

Men and women tend to undertake different roles in the economy and society. In other words, a gendered division of labour characterises many cultures. Sometimes women say to me: "I am so tired". I say "Of course, you are tired because you are overworked" and so in our GST we show them our analysis of the Sexual Division of Labour.

The main work roles of people in all societies are characterised as being reproductive, productive and community work.

Let me describe what reproductive roles and work are. Reproductive work encompasses tasks such as bearing and rearing children and doing housework. This is often considered to be the world of women.

Productive work covers the tasks that society usually acknowledges as work and often sees as the sum total of work. This is often thought to be the world of men.

Thus there are two worlds: the world of men as public, primary and superior and the world of women as private, secondary and inferior.

If men are only in productive work, there is no chance for them to develop their nurturing skills, and if women are just in the reproductive sphere, there is no opportunity for them to develop their independence and their capacity to know what it means to achieve. However, due to economic necessity, women are beginning to come into the workforce. This is where the double burden comes in. The economic reality is that women work with men the whole day, and then go back to the reproductive sphere, and they have to do all the work in it. This is what we call Women's Double Day. In the end of the decade conference in Nairobi, this was considered as the greatest injustice in the world. Women do this work unpaid, unrecognised and unrecorded.

However, we discovered another type of work in which both men and women are involved, and we call this community work. It encompasses the tasks that women and men perform in maintaining the life of the community outside of their immediate households. Women all over Asia are deeply involved in community work. I am a community organiser and even during Martial Law days, when we were trying to stop the demolition of squatter/slum areas, we not only put women on the frontline, we even selected pregnant women because the police hesitate to batter them. Community work also means organising women for basic needs, water, electricity, and housing. There is also a gender issue here. Women are into volunteer work, whereas in the Philippines, a lot of men are getting elected as political leaders at the local government level. These positions have status, prestige and they get salaries or an honorarium. We are not saying that women should stop their volunteer community work. We are more into encouraging them to also run for local government.

Women and men make different contributions across and within these categories. Furthermore, some work roles are valued more than others. The areas valued less highly tend to be invisible to policy-makers. For example, women's unpaid care labour in the reproductive sphere is not taken into account. It is assumed to be always available. This needs to be taken into account in the design of equitable and efficient policies and budgetary resource allocation. At the Fourth World Women's Conference in Beijing, the UN reported that women's invisible contribution to the Global Economy is worth eleven (11) trillion dollars. This needs to be factored into efforts to design equitable and efficient policies.

If housework is work, then the new slogan is "All women are working women". There is no such thing as a non-working woman.

#### Challenges faced by gender-sensitive budgets

- Gender mainstreaming is difficult because usually gender is mainstreamed into invisibility. I think that is a problem in many organisations and in many countries. Gender budgeting is an allocation of resources and this means redefining power relations at another level. It becomes extremely difficult and usually the approach is through capacity development ... I would like to think that to be effective, gender budgeting must be a holistic and concerted strategy. It cannot just be capacity development. It cannot just be training. There has to be awareness raising, there has to be documentation, there has to be policy analysis and advocacy. Otherwise, we can train and train until we drop dead but gender budgeting will still not be effective. Ms. Socorro Reyes (UNDP).
- I can imagine we will face a number of challenges when we want to implement the concept of gender budgeting in Indonesia. The first challenge is the already established budget process. The second challenge is to build a compelling argument for gender sensitive budget supported by data. There is another challenge or constraint: the budget deficits and all the issues we are facing now in Indonesia. Ms. Pattiasini (Indonesia) ■

#### Different Roles and Gender Bias in Budgetary Resource Allocation

Differences in the roles of men and women which are built into the economic and social structures of a society frequently lead to unintentional gender bias in policies and programmes and their accompanying resource allocations. This can lead to social injustices and inefficiencies in the use of resources. When I talk to policy-makers, they ask, "What can we do?" They admit they are not even conscious of the problem. That is what we call unintentional gender bias, until we make them see the systemic dimension of the problem. This has nothing to do with bad intentions. They are not bad people – they do not do this intentionally, but unless they are aware of the system, then they are probably guilty of unintentional gender bias in defining policy and programmes.

When companies downsize, when governments have to budget more for debt servicing and must shrink the budget for other items, what are the agencies whose budget get cut? They usually cut the social sector budget. Advocates of peace usually point to the need to cut military budget instead. Of course, after September 11 (2001), we have gone back to square one. That is why I want to pay tribute to the Prime Minister of New Zealand, who closed her country's navy.

Traditional assessments of efficiency in resource allocation have focused on minimising the cost of resource use in the paid, productive sector of the economy. However, if government budgets were to take into account all resources, in the paid and unpaid sectors, then a different calculation of cost minimisation is required.

Now this is the recommendation: that we do recognise the paid and unpaid sectors in a different calculation of cost minimisation. I have mentioned that the paid productive or market-oriented sector uses prices to signal the cost of resource use. For example, salaries or wages husbands earn are easily quantifiable. Yet a woman with a vegetable garden who gathers greens from her garden for sale does not issue a receipt to record her sales. Thus this economic activity remains unrecorded in the GNP. If she uses her produce in her kitchen, this equates to fewer expenses out of her husband's income. That is why we believe that if Ministries or Departments of Agriculture had the capacity to measure the monetary value of the agricultural output of women, agriculture might have a bigger share than industry in the country's economy.

When APEC met in Manila three or four years ago, the Canadian women brought with them statistics showing that small-scale businesses run by Canadian women were employing more people than all their big corporations combined. Importantly, we do not see this unless we have the necessary statistics. The

activities of the reproductive and community sectors, which need and use considerable resources to function, do not readily lend themselves to the same type of financial calculation. For example, when a sick child is hospitalised, it is often the mother who stays with the patient. This practice means that the woman either has to stop working which means less pay or has more work to do when she goes back home - her laundry piles up, her housework remains undone.

The links between the paid and unpaid sectors should not be overlooked in ensuring the overall efficient use of resources. Reproductive and caring activities such as producing and maintaining the labour force and developing our human capacities such as trust and good citizenship are not only valid in building a society but are important also for the functioning of the market-oriented or productive sector.

I would like to place an emphasis on reproductive and caring activities such as producing and maintaining the labour force. When a working man comes home - he is tired, he is dirty, and he is hungry. The wife cooks him a meal, washes his clothes and gives him a massage or makes him relax. The next day he goes back to work a new man. If this man is not married and goes to commercial entities to answer his need to be relaxed, to be feed, and for his clothes to be washed, he pays for all these services for which he is issued receipts which guarantees the recording of these activities in the country's GNP. Yet millions of women do the same services unpaid, unrecorded and unrecognised. Thus we can truly say women give birth to our husbands every day.

In the Philippines we have a joke in connection with "developing human capacities such as trust and good citizenship". If children turn out to be good kids, "they are his kids" but when they are delinquent "they are their mother's children" because it is her job to teach them values.

Government health, education and welfare expenditures are important in supporting reproductive activities as individuals, and families are unable to do it all themselves. We keep saying to men and women, "Change or improve your relationship, appreciate each other", but working men and women need State support. That is why day-care in government offices, day-care in private-sector offices and communities is a non-negotiable issue.

Government budgets and policies that do not account for transfers in resource use between the market-oriented, paid productive sector, and the unpaid reproductive sector cannot be guaranteed to be efficient. Instead, they are more likely to transfer costs than minimise costs. They are in danger of being a false economy. This can have feedback effects on other sectors in the economy. Additionally, because women provide a disproportionate amount of resources in the form of their unpaid labour in reproductive activities compared to men, such budgetary actions are also gender-biased. This is what I keep telling our Department of Health (DOH) people - women who are active Volunteer Health Workers are subsidising our government. They are the heart of development. That has always been my stand. This in turn raises important social justice questions about who bears the costs of budgetary changes.

We have a very good Paramedic programme teaching women curative skills regarding upper pulmonary ailments and gastroenteritis - because the diseases of the poor are often nothing else than that. We also have a very good programme on training women Paralegal Skills. These women were selected by their community to be of service after their training. If somebody is harassed, battered, or raped, the women of the community know where to go and who to turn to. In turn these paralegal and paramedics are connected with networks of friendly women doctors and friendly women lawyers.

A case of rape happened right after our training of the first group of paralegals. The women acted immediately. They supported the rape victim personally. They were present during the court hearings. It was the fastest case resolved with conviction. During their reflection, the paralegals realised how much their support cost them in terms of lost income. The community, realising the importance of their support, asked the women to compute their lost income and the *Barangay* (the lowest political unit in the Philippines) officials reimbursed the paralegals out of its budget.

## Gender impact analysis: some examples

### *Looking at the policies and programmes...*

- It is not just a question of translating the programs and concepts into budgets but more of assessing the impact of these programs and projects or public expenditures in terms of its impact on men and women. Based on my readings, in other countries, specifically in Norway, before they approve a budget or before they allocate funds, they must first have a gender impact assessment or public expenditures must have a gender impact assessment. And in some countries, before they approve legislation, they also require a gender impact assessment. Mr. Raul Terso (Philippines).

### *...and at taxation*

- We found that in urban areas there is a tax on market women. Women dominate, in the African markets, in selling merchandise in the markets, while young men dominate in transportation ... There is a tax on those men transporting, and there is also a tax on the women in the market. When we compared the income levels, we found that many of the women in the market were earning even less than the boys who were riding those tricycles, but the tax on the market women was very much higher than the tax on the cyclists. The reason was that, when you look at it, it is that every year the tax on the women has increased because it is simply easier to keep adding one more tax on them. They are tax compliant. They do not protest. When you add a little increase on these youth, however, they would burn the whole city down. The municipal authority is reluctant to increase the tax of certain groups but is ready to pass the tax burden on to those groups that are more obedient, particularly women's groups, or poor women. Ms. Byanyima (Uganda). ■

## How can we measure gender and gender relations?

There is a growing variety of measures that can be used to indicate the socially constructed relations that exist between the sexes. As a result, the choice of statistics for analysing particular areas of policy and expenditure can be facilitated by developing a series of categories of what it is that needs measuring. This is where I feel UNDP should be of help, because this is a highly technical aspect. For example, gender statistics may be needed to measure the underlying causes of the problem/s and the consequences and effects. Using this approach, the Swedish Statistics Agency has implemented the "Economic Life: Categorising Gender Statistics" policy.

## Government budgets and gender

The budget reflects the values of a country: 1) who it values; 2) whose work it values; 3) who it rewards; and 4) that which it does not. Government budgets and policies are often assumed to affect everyone more or less equally, to serve the 'public interest' and the needs of the 'general person'. This is exactly the assumption that we are questioning.

What is a gender-sensitive budget? A gender-sensitive budget is about taking government's gender commitments and translating them into budgetary commitments.

Women's budgets are fundamentally about mainstreaming gender issues; about ensuring that gender issues are integrated into all national policies, plans and programs rather than regarding women as a special "interest group". We in the women's movement used to lobby for funds in support of particular issues and interests of women. We talked about violence against women and the government would throw us two million for our program and we were quite happy. What we realised, however, was that billions were being budgeted every year by our Government, and we never questioned the impact of this budget on men and women.

This is what we would like to question now, rather than just being happy with the kind of budget extended to us for our programmes and projects. The objective of a gender-sensitive budget is to inform debate about policy and the appropriate allocation of public expenditure and taxation.

Terms such as 'gender-sensitive budgets', 'gender budgets', 'women's budgets', 'women's budget statements', refer to a variety of processes and tools aimed at facilitating an assessment of the gendered impacts of Government budgets.

The term 'women's budget' has gained the widest use because the initial focus has been on auditing government budgets for their impact on women and girls. The term 'gender-sensitive budgets' is increasingly being adopted because these budget exercises have begun using gender as a category of analysis. 'Women's budgets' or 'gender-sensitive budgets' are not separate budgets for women, or for men. They are attempts to break down or disaggregate the government's main budget according to its impact on: women and men, and to different groups of women and men, recognising society's underpinning gender relations.

Few government revenue-raising activities or expenditures are designed on the basis of gender. Many countries have been replacing discriminatory measures with gender-neutral approaches. For example, mother's benefits have been replaced with child allowances paid to the person who is primarily responsible for the care of the child. Why? Maybe the child is being cared for by the man and not by the woman. Another example is that taxation rebates for dependent wives (sometimes referred to as 'married men's allowances') are being phased out or paid to a dependent spouse of either sex.

However, the goal of removing discrimination or achieving 'gender-neutrality' should not be confused with the fact that budgetary policies can have a significantly different impact on women and men, and on different groups of women and men. Sometimes these differences can be justified to achieve certain policy goals and sometimes it can undermine social and economic objectives. However, ignoring the gendered impact of policy does not constitute gender-neutrality; rather, it is best described as 'gender-blindness'. We define 'gender-blindness' as a budget that appears to be a gender-neutral policy instrument where there is no particular mention of women but no particular mention of men either.

National budget formulation usually ignores the different, socially determined roles, responsibilities and capabilities of women and men. These differences are generally structured in such a way as to leave women in an unequal position in relation to the men in their community with less economic, social and political power.

Good policy requires an understanding of the impact of gender and how policy might be better designed to achieve outcomes which meet the needs of different groups of women and men, girls and boys. Disaggregated data is needed to demystify the apparent neutrality and, more specifically, the gender neutrality of the budget. It will expose how tariffs, industrial relations, taxation, education, employment or industrial policy impact on women due to their different location in the family and in the economy. Who gets the jobs? What is the nature of the jobs that are created? Who gets the subsidies? Who gets the housing? What is the nature of the homes and communities which are being developed? What are the traditional policy assumptions in the budgets, e.g. are women independent breadwinners? The fact of the matter is that the same rules and procedures can often reinforce existing inequalities and work against the interests of women. ■



**Mr. Paul Sinnapan**  
**Trainer/Consultant**  
**Credit Union Centre, Malaysia**

# Gender Impact Analysis of the Budget

Mr. Paul Sinnapan,  
Trainer/Consultant, Credit Union Centre, Malaysia

## Introduction

I am a consultant and trainer for people-centred grassroots economic initiatives, the new concept we are designing in Asia. This includes developing credit unions, agriculture co-operatives, micro-credit or micro-finance projects or income generating projects and savings projects that must be people-centred, rather than donor-centred, or "other-centred". People develop and initiate these projects.

My basic experience is in Malaysia. I was born on a plantation estate, where my parents were plantation workers; our family was a very poor family of twelve. I lived on the plantation until the age of 23. The poverty in which we lived prompted me to think about poverty alleviation. A group of us came up with the idea to create a savings and loan fund, without knowing that something similar existed, known as credit union or micro finance. This helped us develop a movement in Malaysia itself. There are 460 community-based grassroots economy initiatives like this reaching out to 40,000 households and a saving accumulation of 35 million by the poor and the grassroots level and we have 20,000 children who have saved six million ringgits in the piggy bank which are called squirrel clubs. That is our starting point.

Later on this project became a bit famous and I was asked by international donor agencies and international development agencies to promote it in other parts of Asia. I worked in Vietnam, China, Mongolia, India and many other parts. I work with the Asian Women in Co-operative Development Forum (AWCR) and the Centre for Asia-Pacific Women in Politics (CAPWIP), for which I am a trainer.

In the beginning, in those credit unions or micro finance projects, we were not aware of gender. We were gender-blind.

We used to say that men and women were equal members in the projects. They were beneficiaries or, as we say today, clients. Irrespective of whether they were men or women, they are equal. There was no discrimination. Both men and women get all the benefits and service of those projects. Both men and women can become leaders in the community-based projects. For us, there was no gender issue at all in these co-operatives or credit unions or micro finance. However, the women never gave up, they formed women's group and started asking many questions about the projects and stated, at one point, that men, as policy makers, ought to be gender sensitised. There were some organisations, especially the Canadian Co-operative Association, the Asian Women in Co-operative Development Forum, the Asian Confederation of Credit Union, the International Co-operative Alliance, which began to see the importance of gender in co-ops and tried to get money, separate funds and budgets, so that these co-ops in Asia would help to promote gender sensitisation and urged our organisation to begin gender sensitising the men in the co-operatives.

## Gender and Development programs in Co-ops

These women promoted gender integration in co-ops, provided funding for co-ops for gender programs, organised Asian seminar-workshops to understand the basics of Women in Development (WID), Women and Development (WAD) and Gender and Development (GAD), as well as gender managed programs, gender sensitive training for men and women, and women leadership development within the co-op to place women in decision making position and introduce monitoring and evaluation of gender programs in the co-op, production of gender training manuals.

Because of this intervention by international donor agencies and international development agencies with gender as a priority, the co-operatives slowly – and at first half-heartedly – began to design and develop

various programs. They started to do some basic gender sessions, gender sensitive training for men and women leaders, training women to take up decision-making leadership positions and collect sex-disaggregated data within the movement – for example, how many men, how many women, how much is being saved by men and saved by women, who takes out the loan, how much for what? Gender responsive policy is not just about service and production. We found that these movements were developed basically by men a long time ago, and did not look into issues of gender. Therefore we designed exercises to make them responsive to gender and gender budgets.

One of our projects is the Basic Gender Awareness Sessions. These sessions, aimed at gender sensitising men and women in co-operatives, were held first in Malaysia and subsequently in Thailand. They focus on how to place women in decision-making positions in co-operative movements and on transformative leadership for both men and women in co-ops.

AWCF was instrumental in the production of more than a dozen training manuals. These manuals are used to provide training especially for men. It was very interesting to train men and women separately. We use a separate approach before we reach a more integrative approach. The women go through the empowerment program, men go through gender sensitising, then women and men train together.

In many co-ops, women are basically secretaries or treasurers but do not fill decision-making positions nor do they participate in the collection of sex-disaggregated data, because most of the co-ops, like other institutions – be they religious, trade unions, parliaments, etc. – were the result of men's ideas and carried with them men's visions, attitudes and their patriarchal system. Women were not involved in the development of these structures and systems. It is only now that we see women becoming members of Parliament.

### **Gender budgeting in the co-ops**

When allocating funds, co-operatives should take into consideration gender issues. At present, many co-ops put their money in infrastructure: putting up big, big buildings, putting up big secretarial offices. Gender budgeting should be introduced in these co-ops in order to address issues which face women and which, by means of gender-responsive monitoring and evaluation, can provide support in addressing women's specific needs: for example, a day care centre, or childcare centre, a women's crisis centre, training seminars for women attending a board of directors meeting.

When we started to look at advocacy work on gender issues, we created the co-op network with women's organisations in each country that looked at issues such as violence against women issue, domestic violence, rape, anti-rape campaigns and many, many other things.

It took many years, especially for the men, to understand that co-ops had to mainstream gender, that there was a need to develop gender-responsive policies, programs and monitoring and evaluation systems, and that the introduction of transformative leadership and the setting-up of gender and development committees were a positive initiative. The co-operatives response to developing women's issues used to be the Women and Development Committee, but later we changed to a Gender and Development Committee because we felt that it is the responsibility of men and women to change the situation, not only of women. Men have to play a very important role in the creation of a gender budget. Today close to 20 or 25 per cent of the total budget of their co-op is spent on gender-related programs.

### The efficiency benefits of reducing gender inequality

Research on agricultural productivity in Africa shows that reducing gender inequality could significantly increase agricultural yields.

*For instance, giving women farmers in Kenya the same level of agricultural inputs and education as men farmers could increase yields obtained by women farmers by more than 20 per cent.*

Research on economic growth and education shows that failing to invest in education lowers gross national product (GNP).

*Everything else being equal, countries in which the ratio of female-to-male enrolment in primary or secondary education is less than 0.75 can expect levels of GNP that are roughly 25 per cent lower than countries in which there is less gender disparity in education.*

Research on gender inequality in the labour market shows that eliminating gender discrimination in occupation and pay could increase not only women's income, but also national income.

*For instance, if gender inequality in the labour market in Latin America were to be eliminated, not only could women's wages rise by about 50 per cent, but national output could rise by 5 per cent.*

Gender inequality also reduces the productivity of the next generation - the World Bank reports mounting evidence that increases in women's well-being yield productivity gains in the future.

The probability of children being enrolled in school increases with their mother's educational level and extra income going to mothers has more positive impact on household investments in nutrition, health and education of children than extra income going to fathers.

Research shows that gender inequality hampers a positive supply response to structural adjustment measures by reducing women's incentives to produce tradable goods and increasing women's time budgets.

Women's time burdens are an important constraint on growth and development - women are an over-utilised, not an under-utilised resource. The benefits of reducing this gender-based constraint can be considerable.

*For instance, a study in Tanzania shows that reducing such constraints in a community of smallholder coffee and banana growers increases household cash incomes by 10 per cent, labour productivity by 15 per cent, and capital productivity by 44 per cent.*

**Source:** Diane Elson (1997c), 'Integrating gender issues into national budgetary policies and procedures within the context of economic reform: Some policy options', *Preparatory Country Mission to Integrate Gender into National Budgetary Policies and Procedures*, London: Commonwealth Secretariat, pp 1-2. ■

## Result in the Co-operatives

In many co-operatives in Asia there are more and more women coming into decision-making positions. As presidents, as secretaries, and on the boards of Directors. In Malaysia, in our network, there are six out of fifteen women on the Board of Directors, but before we started this program there was only one woman as a token on the Board. More male leaders are becoming gender sensitive. Gender-responsive missions, vision policies and budgets are in place. Products and services, education and training programs were reviewed and gender sensitised.

Mostly men come to do training programs because they do not have to do work at home. If you ask the women to come, they show interest, but they tend not to come because they are concerned about who will take care of the baby at home. They ask 'Who will cook at home so that I can attend this training?' Even when they do attend training seminars, their mind is on the home front. The question is, what kind of system do we have to develop within the co-op for this to be addressed? Support services, I say, day care, crisis centres and other things. Counselling.

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### Gender sensitive budgets require a change in attitudes

- Sometimes men think that when they go along with gender budgeting it is to appease the women. No, it is an entitlement; it is a right that women are supposed to be enjoying. The sooner we stop thinking of this as a hand-out to women, the better for all of us because, I think, the spirit of a democratic system is supposed to be that all citizens are equally given the right to participate as well as to benefit from development. We have a long way to go. We have to grapple with technical difficulties; we have to grapple with attitudinal problems because they may agree in principle but in practice they do not really take these policies seriously. We have to constantly interrogate, we have to constantly negotiate. Ms. de Dios (Philippines)
  - The reports that I have received so far on the effectiveness of the 5 per cent gender budget allocation for the past years are not that all encouraging. It seems like the reports simply contain motherhood statements, and have no clear-cut direction at all. Some sectors even view it as a sort of a hand-out to appease the women's sector. Some agencies will just say just give us the 5 per cent just to stop them complaining. Rep. Andaya (Philippines) ■
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## Impact on the home

In the beginning I never did housework, I told myself that I am a man so therefore I do not have to do housework: I am supposed to be out of the house. I am supposed to be a community leader, a co-operative leader, in my religious institution I was a leader and therefore my role is outside my home. This gender-sensitivity training program, however, has helped me to see the importance of men playing a role in the home.

A multi-faceted programme addressing issues concerning the family was conceived and various workshops and seminars were designed and implemented to bring the family back into the equation:

- husband and wife dialogue services;
- parent and children dialogue sessions;
- gender-responsive vision for families;
- gender-responsive family budget;
- shared parenthood sessions;
- gender-balanced property ownership; and
- value-based families and elimination of domestic violence sessions.

At the beginning, men were very reluctant to participate but after couple of years they found this program to be very important. Men with their dominating personalities, with their machismo, never saw their wife as a partner in the family, somebody with whom you share everything, because religion and culture taught them to be like that.

The **dialogue services** teach husbands and wives communications skills to break from the “dominant man/submissive woman” roles given them by their Asian culture. The dialogue services introduced the “communicating” role.

Parent-children relations are big problems in most of the Asian culture and to help bridge the generation gap, we have introduced **dialogue sessions** for parents and children.

**Gender-responsive vision for families** involves asking both men and women to draw pictures of how they visualise their families in ten years’ time. Women are very concise, they know how their family will be in the ten years to come. In men’s drawings, there is often nothing about family. In all of their drawings there is no house in their vision. In all the drawings of women, however, the house is in the middle. From the house spring all other activities. For men, however, the house is not there because they have been culturally conditioned to be external, autonomous persons. Much can be learned from these drawings.

**Gender-responsive family budgeting** takes a look at incomes and expenditures. In most cases, the husband spends the money unnecessarily - drinking, gambling, womanising. Women, however, always put money to better use because they always think about their children’s future, about food in the family. Gender-responsive family budgeting helps men put their income to better use. In some countries we have done so well that women stop their income-generating projects because the money given to them by their husbands after the gender training is equal to what the women earned from the income-generating project. The money the husband spends in drinking, gambling, and other activities put together is what this wife earns through her income-generating project.

**Shared parenthood** helps women have more time to learn many other things. Our men’s movement is moving towards this: when women go for training, it is the men who stay at home to take care of house and the babies. This becomes a partnership approach and the women feel very happy and also the burden of the women is reduced in that aspect.

**Property ownership.** Men have access to money. Men have access to loans from banks and co-ops, but when women start a business, when they buy a house, when they buy a building, it is in a man’s name. We are training men in the co-ops to put their property in joint names, in the husband and wife’s name. In Vietnam, when the land title was given, it was always on the household’s name. Through Angkasa (the Co-Operative Federation of Malaysia), now there is already a re-enactment that the title of the Felda Land Settlement be in the name of husband and wife. This advocacy was through Angkasa.

**Value-based families.** In Singapore, Malaysia and many parts of Asia, I find that while countries are becoming richer, they remain empty-hearted. Spirituality is gone. Materialism, consumerism have been taken up, so we are trying to introduce the concept of value-based families, asking what is love, what is caring, what is sharing? Not so much on material-based families. Not so much on money-based families.

Our co-operatives have also worked hard at **eliminating domestic violence** and some have gone as far as preventing wife beaters from becoming members of the Board of Directors or becoming leaders in the co-op. Previously, the criteria for selecting leaders were a man’s efficiency, professionalism and charisma so that the movement would increase in numbers. Now, we are looking into such things as, “Are you a wife veteran? How are you treating your kids, if you have kids?” If you are failing in your duties at home, you should not become a leader in the co-op. This is a very important change within our movement.

## Impact on the community

The men coming into the men's movement now are trying to discover themselves. Men never had the opportunity to talk about themselves. They talk about their joys, their sorrows, their struggles, and their fears. All of fears in men – fear of aging, fear of male sexuality, losing a job.

So therefore, we are asking the men to talk about the subjects they never talked about. When men come to the board meetings, what do they talk about? They talk about the minister; they talk about the nation, they talk about international issues, but they never talk about family, about their wives, about their children, about housework, or male sexuality. What is happening to male leadership? Is that male leadership respected now like before? Why is it not respected? Why type of style of leadership are they performing? Dictator leader? Dominant leader? Or a consultative leader?

What are women looking for? What are children looking for? Consultative leadership. What am I demonstrating? Dictator leadership, dominant leadership, which is naturally not liked by the children and women and families.

Finally, violence against men and women. We start off with women – men violating women, then we found out, equally men are violating men. This is the story. Man is capable of violating other men. Whether boys, whether his friends, whether in the workplace and through various forms of organised gangs, organised robberies, man violates man.

So this program is helping men and women become gender sensitised and both men and women who are gender sensitive now are trying to improve and work towards a better world. We are trying to influence families. We are trying to influence schools, nurseries, preschools. What are the roles of boys and girls? Boys normally go to the field to play football; girls will sweep the classroom. So is it good? Can we have a different boy-girl relationship?

I've been called religious by many because I studied religion – Christianity, Hinduism, Buddhism. Lately, I've been studying Islam. I went to Kelantan to talk to the Imam Council about gender in Islam, how does the Holy Koran and prophet look at women, and what is happening today. So there is a comparative analysis. Helping also these religious men to see the new time, to see how certain concepts, ideas, have to change today.

Whether grass-roots economic institution, or state level or national level have to bring about changes. Finally, the environment. What is our concern about trees, rivers, mountains, and other structures in the community? These are questions which need to be considered by both men and women.

## Sharing this experience

This experience started at the grass-root level. Now, it's creating an impact at the national level.

In Malaysia, I'm working with government organisations like Angkasa, the Co-operative Federation of Malaysia, the Co-operative College of Malaysia, Selangor Co-operative Development Department and the Kuala-Selangor District Co-operative Department. Recently, I've been invited by the Ministry of Women and Family to share this idea with government agencies so that services and products will improve. There are projects already designed for them.

Many people have a gender budget. They do not know what to do with that gender-sensitive budget nor do they know what programs should be designed, so that it will create an impact on gender in families or at the community level. So we are trying to provide this.

### Efficiency and economic growth through gender budgeting: some examples

- The government is very, very concerned with stabilisation of the economy; achieving its set of macro-economic targets. One of these targets is controlling the fiscal deficit to a certain level, ensuring that what we import does not exceed what we export. Now, because of that target, we have been controlling the level of investment in our health sector. We have quite a sick population in Uganda and we have been hit very hard by the AIDS pandemic. Our expenditure on health is very low; it is about \$6 per person per year. Many donors were willing to give us more money to put in the health sector. This year though, the government said that, "No, you can take back some of those dollars. We cannot absorb all of them in health. Because if we absorb all the dollars available, it will cause an appreciation of the local currency and it will also result in a widening fiscal deficit." The dollars were sent back and the Ugandans did not benefit from more health expenditure. Those of us looking at the budget from a gender perspective questioned this. We said to the government, "What do you think is going to happen when you do not increase spending on health? You transfer the cost, the burden of sick people to women. Women have to care more for the patients at home. They pull out of productive work. In fact, even your exports may fall short because the women who should be out in the fields growing the coffee for exports are taking care of sick people at home instead of getting health care in the hospitals. We showed that there is a transfer of costs, not a saving, and that the stabilisation of the economy may not be attained. Ms. Byanyima (Uganda)
  
- Gender analysis of production systems looks for instance at the necessary steps to produce rice. The analysis goes from land preparation, seeding, pulling of seeds, transplanting, weeding, irrigation, pesticide, etc ... It must be noted that 75% of the steps in planting rice are done by women ... Gender analysis of the budget will look at the impact of the budget on women. The question is if you for instance train men, but it is women who are doing the weeding, and spraying the pesticides, what is the impact of such a measure? The impact of your budget is zero. That is what it means. I am not even talking of equality, I am talking efficiency of projects. What is their response? "But, Mrs. Rikken, when we call the women, they bring their children." Yes, then provide day care in your budget. "Well, that will increase my budget." Yes, but you will be sure that you are actually training the person doing the job. Ms. Rikken (Philippines) ■

I was also invited by INTAN (Institute Tagbira Negara, Malaysia), which is the policy-making agency of Malaysia, to help men policy-makers understand gender budgeting, so that when they formulate policy, whether it be at the national, state or district level, they incorporate gender.

I am working with the church, and with the bishops and priests, we are talking about the changes needed within the church and how gender mainstreaming has to take place in the church.

### Donor Agencies

I have worked with about five donor agencies so that they begin to understand gender. Many donor agencies give money. Many donor agencies now have a budget for gender. They are not sure why, and ask, "what does it mean when we allocate money to gender programs? How do we monitor this?" So we provide training for donor agency staff. International development agencies such as IFAD and CCA. I worked, for example, with ILO, Co-op-net, and many organisations like that. We are also trying to train the Board of Directors. The program focuses not just on gender, and the allocation of money for gender, but whether gender sensitivity comes from the heart. In our country, there are also a lot of NGOs and many, many in the NGOs have never undergone gender sensitivity training. There is a need today, as expressed by Malaysian NGOs, that men have to undergo this training as well.

To conclude, times are changing. We acknowledge and respect that men have played a very important role in the past in developing institutions, developing systems be they political, economic, or social/cultural, and played a very important role in bringing the world to where it is today. We cannot continue in that way because the future calls for a lot of reformation. It calls for a lot of change, and acceptance of the fact that the 50 per cent of the population is women and that they contribute to nation-building. Women contribute to the world's economy, to world politics, to world culture.

How can we now neglect women in decision-making? We cannot. Therefore we have to change. Dominant types of leadership, male-dominated leadership, patriarchal leadership and macho leadership are no longer legitimised and recognised. Changes in information technology call for global participation, call for everybody to know everything, call for transparency, and call for accountability.

So how can men continue to work within the old mindset of leadership? They cannot! Men have to work with women, with youths, and with children. Listening to all of them will bring a better style of leadership. ■

## Mechanisms and methods for developing a gender-sensitive budget

Ms. Winnie Byanyima, MP  
Uganda

As parliamentarians, what can we do to bring about a new approach to budgeting that takes gender equality into account? That is the question I would like to address. Like any new idea, any new concept, it needs a leader. Gender-sensitive budgeting in Government, in the budget cycle, needs a promoter, an initiator.

In various countries, gender-sensitive budgeting has been initiated in different ways by different groups or institutions. In some countries, it has been led by Government and started within Government. For example, in Kenya, in the Ministry of Finance, there are people there very committed to the idea and who are promoting it. In other countries, it has been led or initiated by civil society groups that are looking for accountability to the special constituencies they care about. That is the case in my country. In other countries, I have observed that it was led by a donor government which was concerned that the budget it was funding was not taking care of the interests of men and women equally. The donor government then hired a consultant to start looking at the budget from a gender perspective.

There are, then, different initiators. In fact, in Uganda, I would say it was a strong partnership between civil society and some parliamentarians that initiated a new approach to budgeting, i.e. looking at the budget from a gender perspective. I am going to focus on how parliamentarians could initiate this new approach to budgeting, and I will use our experience in Uganda as an example of a strategy on the application of particular gender budgeting tools and then propose at the end what you, as parliamentarians, can take up and initiate that will hopefully result in a transformed budgeting process.

### What was the strategy used in Uganda?

Uganda's new Constitution gives a lot of political power to women. A quota in local government allowing women to occupy one-third of all seats in local government and a quota at the parliamentary level providing for a minimum of about 15 per cent of the seats for women were introduced. Currently, women have a total of more than 20 per cent of seats in Parliament as a result of that quota. We were looking for ways to make our numbers have an impact on the decisions made in Parliament. The budget was an important area we wanted to influence in the interests of women, men, girls and boys in our country. Some of us in Parliament worked together with some civil society groups, women's organisations and started this project that was led by a civil society organisation called the Forum for Women in Democracy.

#### **The Forum for Women in Democracy (FOWODE)**

- ❖ Advocates for gender-balanced budgets that address the needs of poor women and men, girls and boys, equitably and give full attention to people with disabilities and other disadvantaged groups.
- ❖ Covers three sectors: education, health and agriculture. Some work on taxation, too. At local government and national levels.
- ❖ Fosters partnership between researchers, parliamentarians, local government councillors, journalists, civil society activists and government planners from five ministries.
- ❖ Plans activities around the government budget cycle, including

research, dissemination, public dialogues and lobbying of parliament, councils, ministry officials and donors.

Many organisations of civil society, not just women's organisations but other networks interested in budget advocacy such as the Uganda Debt Network, the National NGO Forum which is an umbrella of all NGOs, trade unions, and church organisations, came together to work with members of parliament, and budget planners from three main ministries: health, education and agriculture. We chose only three because we could not tackle the whole budget at once for capacity reasons. Of course, we also involved budget planners from the Ministry of Finance, the main ministry, and also from the Ministry of Gender because it has the role of mainstreaming gender in all of government. Five ministries were involved, but the three particular ones we wanted to focus on were health, education and agriculture.

Our country is not yet industrialised like some of your Asian countries. It is mostly agricultural. Agriculture is the key economic sector for us and that is why we focused on it. We focused on health and education because that is where we believe the widest gaps exist between men and women and where we want to build the human capabilities that will result eventually in economic transformation.

We also brought into the partnership independent researchers because we realised that we wanted good information that parliamentarians could use. We needed researchers who could do a gender analysis on the policy behind the budget and on the budget itself. We also brought into the partnership journalists because we wanted to advocate, to put it out there in the news. Later on we took this work to the local government level and involved local government.

How do we plan this work? What is the strategy? The work of gender budgeting is done throughout the year around the budget cycle itself. For example, when the Ministry of Finance is tabling the budget in the Parliament on the 15<sup>th</sup> of June, that same week we also publish our gender budget, which is a gender analysis of the budget the Minister presented in the previous year. We take the budget of the previous year and we spend the year working on it and analysing it. Because budgets don't change very much, when we table our findings, they are often relevant to the budget the Minister is also tabling in the same week. Throughout the year, we do a series of activities. What do we do? First, we bring the stakeholders together in a brainstorming workshop where we look at the three sectors. We set up three working groups: a health working group, an education working group, and an agriculture working group.

For each of these sectors, we do the same thing and we have different parliamentarians who have different interests participating in each of these groups. We have civil society organisations, depending on their focus, participating on the different working groups and budget planners from the ministries working with their relevant groups. For example, the women doctors' association will be working with the health working group. Women farmer's associations will be working on the agriculture working group. Then we do a brainstorming session starting with what we call a situation gender analysis.

#### Gender responsive budgets concern men and women

- I think we all need to be educated about it. It cannot be just a few women parliamentarians, just a few activists here and there; it has to be embraced by the whole government as a tool to advance not just women, but men as well ... Domestic violence for example, is not something that affects women alone. Sure it affects women. It impedes their productivity. They become unproductive and they fear for their lives. It is also a problem for men. We have to look at that. We have to address the problem of why men are violent against women. I think these are all interrelated problems and I think we have to have a holistic approach in order to do that.

Ms. de Dios (Philippines)

- Gender is very important. If you look at those houses, most of the men do not work because they also do not get a job. Because of cultural barrier, however, they never help the wife who is the one involved in the income-generating project, because his culture, his religion, his tradition says you are not supposed to do work in the home. Yet through gender training, gender sensitivity training, we are trying to help men see that if the wife is bringing home this money, they can do

work within the house. Otherwise, women have to come home after work, sweep the house, cook, take care of their babies, and it is additional burden. If the man can help though, if the husband and wife decide between them what work can be done at home by the husband, it is very helpful to the women. It may even bring more income. Mr. Paul Sinnapan (Malaysia). ■

### Statistical indicators used in gender-sensitive budgeting

In order to undertake a gender-sensitive budget exercise, data on how men and women are positioned economically and socially is needed. Indicators of living standards and participation in economic and political life have been developed by the United Nations Development Program (UNDP). They are primarily used for **international comparative purposes**.

Three key UNDP indicators are the following:

- The Human Development Index (HDI)
- The Gender Development Index (GDI)
- The Gender Empowerment Measure (GEM)

For **national policy purposes** more detailed statistics relevant to particular portfolio areas are required. These data are usually obtained from officially published statistics; research published by academics; and unpublished data collected by government agencies and community groups.

#### *The Human Development Index (HDI)*

For the HDI, three indicators were chosen based on the three objectives:

- life expectancy at birth – being a measure of a long healthy life, nutrition and freedom from disease;
- adult literacy - being the indicator of the formation of human capabilities and skills; and
- real GDP per capita adjusted for purchasing power – being a proxy measure for access to control over resources.

#### *The Gender Development Index (GDI)*

GDI is a gender-sensitive adjustment to the HDI, using the same variables but adjusted in accordance with the disparity in achievement between women and men.

The GDI tries to measure the relative power of women and men in political and economic life. The three variables which make up the index are women's and men's percentage share of:

- administrative and managerial positions
- professional and technical jobs; and
- parliamentary seats.

The GDI and GEM are at a very high level of abstraction and aggregation. In some countries marked gender differences might exist in only one of the components of the GDI (for example, income). The income component of the GDI is a measure of women's earnings and labour force participation relative to men's. However changes in women's earnings and labor force participation ignore what might be happening to women's unpaid work burdens. Also average female income may not be a reliable indicator of the resources actually available to women and girls in households

The HDI has been criticized also for a first-world bias. The use of GDP longevity and literacy levels in the base of the HDI can result in these measures producing high rankings for developed countries even where there is significant gender inequality in a country.

**Source:** Ms. Remedios Rikken, presentation to Seminar on 24 July, 2002 ■



## Situation Gender Analysis

How do we do a gender analysis of a situation, or a sector? We look at the gender roles. What do men and women, girls and boys do in this particular sector? We look at the gender relations. What are the implications of the gender relations in this particular sector? We look at access to and control of resources. What are the implications of that for this particular sector?

For example, in agriculture we look at who is responsible for what activity in agriculture. In my country, for example, as in most of Sub-Saharan Africa, we found that women shoulder about 80 per cent of all agricultural work – including weeding, planting, harvesting, right up to marketing. We look at the roles that men play. We look at the supporting activities in the household, the fetching of water, the fetching of firewood, the cooking. We look at all the roles played by men and women that relate to that sector.

We look at access to and control of resources. Who owns the land? Who owns the income that comes from agriculture? Who controls it? These are important issues to look at. We find that parliamentarians are very knowledgeable about the problems of their communities, after all, that is why they have won the elections. They know the situation on the ground. They know the kind of problems that poor women, poor men face in fishing communities, in farming communities, in the towns.

The brainstorming session is very rich because it is informed by activists from the grassroots, politicians who have interacted with the people, and it informs the budget planners, because the budget planners have been sitting in their offices writing budgets every year in an incremental way. They just add five per cent every year. They do not look at the problems of the people. It is, then, really an awareness-raising exercise for the people from Government, an opportunity for the politicians and the activists to bring out the situation on the ground.

After looking at that, we then look at the policy statement for the sector. What is the policy saying? By the way, when we look at the sector, we also look at some of the data available. We use the UNDP Human Development Report that often shows some of the gaps which exist between men and women in health, in life expectancy, in incomes, in positions of power and so on. We also look at other data that the Government produces.

Then we look at the policy. What is the policy saying with respect to the problems we have identified on the ground? In the beginning, the policy used to be gender-neutral. It did not say anything about men and women. It just talked about farmers. It just talked about health. It just talked about schools, water. As we continued our efforts, the ministers picked up the issues. Now, the policy statements talk about addressing the particular problem of girls in schools, addressing the water needs of women. Now we are beginning to see references to the particular needs of men and women. We examine these statements to see whether the policy is addressing the different needs of men and women for each sector. After that, we also look at special groups such as orphans, children or adults with disabilities, girls and boys, widows, and so on. Special categories of people must also be given priority.

After looking at the policy, then we look at the budget. Does the budget pay for what the policy says? It is very interesting what we have found over the years that so often the policy statement is quite good. Maybe not good in differentiating gender needs, but at least good in stating some objectives of serving the poor. When you come to the allocations, the budget is not doing what the policy says. That is an important question we look at. Does the budget address the statement of policy? Then we say, does the budget address the particular problems of men and women?

When it comes to looking at the budget, we use a framework developed by an Australian feminist economist called Rhonda Sharp. I will now briefly describe this framework because it is the main tool we have used although there are many other tools.

### Rhonda Sharp's Framework

- ❖ **Gender-specific expenditures:**  
Includes all amounts of money allocated for activities which target a specific gender. For example, funds for building pit latrines for schoolgirls to give them privacy, special micro-credit reserved for women, and funds spent on activities of the police women's desks.
- ❖ **Expenditures to achieve equity in the public service:**  
Includes, for example, all allocations to programmes and activities which are intended to promote equal representation of men and women employed in the public service, and on equal pay and conditions of service.
- ❖ **All other mainstream expenditure:**  
Includes all other expenditures not included in the two categories above. This is about 99% of the total budget. The challenge of gender budgeting lies here: to promote equal representation of men and women employed in the public service, and on equal pay and conditions of service.

When we look at the budget, we break it up into three types of allocations or expenditures. The first one is known as "gender-specific expenditure". This is any expenditure in the budget that is particular for a gender, either for men or women, for girls or for boys. That is a gender-specific expenditure. In my country, for example, you find there are some funds for building special toilets for girls at schools because it has been found that one of the reasons that girls have been dropping out of school when they are about 12 or 13 is that they want privacy and this has not been provided. Providing those facilities keeps girls in schools. Consequently a special fund to build those private facilities for girls is a gender-specific expenditure.

We sometimes also find there is special micro-credit, the kind of the Grameen Bank model provided by government especially for women. That is a specific expenditure for women. Sometimes you can find an allocation for men. For example, you may find there is some money for domestic violence counselling for men, counselling men who are abusive, and helping them out of that pattern of abuse. That is a special funding for men. It is gender specific for men.

There can be money to establish a woman's desk in police stations should women take problems of domestic violence there. This is a special allocation for women's problems.

This is a specific expenditure. I must tell you that this is very, very small in the total budget. It does not even come to one per cent of the total budget. In fact, we have to look for this because we know the specific problems of men and of women, but we recognised that this is not the main way that the budget is going to be allocated. Gender-specific expenditure is very small but we look out for it because it is also important.

The second type of expenditure is that of achieving equity in the public service. This is also a very important allocation for two reasons. The first reason is that the public service is paid for out of public funds which are collected from men and women. Therefore, because it is a payment from the labour of men and women, it

should serve men and women equitably. We look at that structure and see who is benefiting from it. Is it mostly men or mostly women? Unfortunately, it is still mostly men because when you look at who is getting paid from the health sector, from the education sector, from the agriculture sector, from the whole governmental sector, most of the employees, particularly those who are amply rewarded at the top, are men. The few women who are there are at the very bottom of the structure. This is a matter of equity and we insist that if money is coming from men and women, it should go to men and women employees equitably, and we call for better representation of women in the structure of the public service.

The second and more important reason, I would say, is that the delivery system of public service should be gender-sensitive, if the services are to be gender-sensitive.

I have a cartoon, which shows how a good idea passes through Parliament, becomes a law and is implemented, but all along it is changing. It is changing because it is going from one hand to another. When a policy is in the hands of an implementer, the implementer has power to make it what he or she wants.

If policies that are formulated in government departments are devised mostly by men sitting at the top of the hierarchy ... consider health, for example. If the top decision-makers in health are men, like it is in my country, yet the work of caring for sick people falls to women in the household, how can you expect these health decision-makers at the top to really address the household problems of health care? They don't know about it. They do not do it every day. It is important that women are at the highest levels of decision-making in the public service, in order to ensure that decisions made there reflect both men and women's needs. We therefore argue for equity allocations in the public service so that it can then deliver equitable outcomes for all.

Under this category we look for allocations to train women to rise in the public service. We look for allocations to keep women in public service jobs, such as the provision of child care facilities near the place of work. We look for opportunities for women who are in the middle ranks to be promoted. That means, training panels which promote greater gender-sensitivity, knowing how to assist women and evaluating women employees so that they can rise in the structure and meet targets. Honourable colleagues, I must tell you that in my country, there is zero allocation for these and we are still calling for it.

The third allocation, which is the main category, is the rest of the budget. How do you see the budget for everybody, serves men and women equitably? This is the big challenge of the budget and the way we do it is to apply the gender situation analysis described earlier: to look at the gender roles, gender relations, access to resources and control of our resources and look at the policy, look at the allocations and see who is benefiting from this main allocation.

Supposing it is water, it is money for water. The question is, who is benefiting? Who collects this water? Where are the sources being placed? Who has benefited from this allocation?

If it is a road, is it a road that both men and women use? Supposing women's work is mostly to go to the fields? Are the roads to the fields there or is it a road that is mostly used by another gender for another purpose?

It is important to look at who is the beneficiary in terms of men and women, particularly in the four categories. If it is money for legal aid, who is accessing this legal aid? Do women benefit from this legal aid? We have a lot of money for promoting the private sector, which is very interesting. In my country, people who carry briefcases are part of the private sector, but women who carry a hoe on their back are not. I do not know what they are supposed to be, but they are not part of the private sector. The funds for the private sector are for people who carry a briefcase and who can submit a proposal written in English. This is something that is challenging because the private sector should include a woman in a household who employs herself.

These are some of the issues that we deal with in looking at the big budget allocations. After we have done this brainstorming analysis in a workshop, we commission researchers. These are people from the

universities. We give them terms of reference, we give them the benefit of this information that we have put together and we ask them to do a deeper analysis, to benefit from the data which the Government has generated. We use the Government planners whom we work with as reference people to help us get the details out of government. At the end, they bring back the research findings, we sit down again, we review it, we summarise it, we make issue briefs which are short reports that parliamentarians can use. Then we outline an advocacy plan. In this plan, many of the civil society organisations, together with the journalists, go out and actually take this information to the parliamentarians, to the donors, to the Ministry of Finance, and bring this awareness of how the budget is meeting the different needs of men and women.

At the end of the year, we publish what we call the "gender budget" When the minister is publishing his budget, we are also publishing our gender budget. We circulate the issue briefs to the parliamentary committees to use in their discussion of the same budget. We do this throughout the year. This is roughly the cycle and we have also undertaken it at the local government level.

### Gender budgeting : some mechanisms

- At first, we influenced the planning process, and the President, together with the different Secretaries (or what you call Ministers), appointed key people to plan with us ... how to put the women in development, in agriculture, in health, in social welfare, in all the departments under the Office of the President. That was our first step. We thought by doing that that we could influence the way the ministries were working. It is not enough to do planning, however. We have to have a say on the budget processes of these different departments. You have to sensitise individuals to the gender process. How did we give gender sensitivity to our Budget Secretary? When she was still undersecretary, we called a meeting of all undersecretary women, and we gave them gender sensitivity training, and she was one of those who immediately grasped what it meant. That is why when she became secretary of the Budget, she was one of our champions ... The question is how do you find a champion in every department? Ms. Rikken (Centre for Asia-Pacific Women in Politics).
- In Indonesia, the House of Representatives has nine commissions and each commission has many different sectors and in each sector, a gender budget is actually being prepared, although it is not yet in a very explicit manner. For example, in the Supreme Court budget, there is a budget for "women's empowerment". However, if we take a look at the amount being dedicated to this program, I think it is only about 1 per cent of our total budget. Ms. Utami (Indonesia).
- We want gender budgeting to be applied not just to small agencies, but to the whole Government. If Government is seriously committed to seeing gender equality in this country, in this century, then we have to seriously address the gaps. And to begin to do that, we have to take small steps. A small step is a real commitment in terms of the resources allocated. Ms. de Dios (Philippines).
- Is this 5 per cent allocation of the budget to gender and development (GAD) programs really a major step towards formulating a gender-sensitive budget or is my understanding correct that a gender-sensitive budget means looking at the 100 per cent instead of just isolating a 5 per cent for GAD activities? Ms. Bibeth Urbano (Philippines) ■

### What have we achieved?

Changing the way Government does things is not easy. Government has been putting out these budgets every year, for many years. To ask it to do things differently is something that has to be done repeatedly before change occurs, but we are beginning to see some changes.

First of all, the Ministry of Finance has accepted that our analysis is valid. As a result, our civil society organisations sit on ministry working groups preparing the budget. We have even been asked to set up a gender working group for the ministry, so the ministry now begins to institutionalise this.

In Parliament, our issue briefs are quite popular. Members of these three committees read our issue briefs and some of our findings have been included in their reports and mentioned in some contributions to the debate of the budget. We have now asked Parliament, and its Budget Committee, to set up a Sub-committee for Gender Budgeting of the Budget Committee.

We have not yet achieved this but we are lobbying for it and I think we are going to get it, perhaps in a year's time. We have also set up a special parliamentary committee called the Gender and Equal Opportunities Committee, that has the role of overseeing all the laws and policies approved by Parliament from a gender perspective. Still, we do want a special sub-committee of the Budget Committee.

We have also made some achievements at the district level.

For example, when we started this work about four or five years ago, we found that the health policy stated that the priority of the Government was to deliver primary health care. This is a preventive approach, a community approach to health care. When we looked at the budget, however, 60 per cent of the budget was going to one referral hospital in the city, the university teaching hospital. This was a contradiction. What government was saying in the policy is not what it was paying for in the budget. The women in the communities were not being empowered with health care information. Instead, government was treating the rich people in the city and giving most of the money to them.

Since then, every year, the budget for health has been changing. Today, this hospital gets only 10 per cent of the total budget. This is a result of our continued advocacy on this budget. Of course, the big issue in health is still that the total spent on health remains a small percentage of the overall budget. Health still only gets 8 per cent of the budget, while defence gets 25 per cent, and the administration receives 21 per cent. We still have a big advocacy campaign on the health budget.

We never used to have any money for adult literacy, yet the gap between men's and women's literacy is about 20 per cent. Sixty per cent of illiterates are women; 40 per cent are men. We need more money to be spent on adult literacy so that women can care for their children better and produce for the economy. Now, we are beginning to get an allocation for adult education because of our advocacy.

We found that the entire budget for agriculture at the district level was being spent at headquarters, paying civil servants who did not go out to do any work in the community. These agriculture workers would be hired by rich farmers to go and do some work on their farms, but they had no programmes to reach out to poor women and men farmers.

This really shocked the country when we raised it, i.e. that the agriculture budget was a subsidy for rich farmers. The whole agriculture extension service is now being reformed. I cannot say the reform will completely benefit the poor. It has other implications, but there is a reform process going on.

## Conclusions

What can parliamentarians do? I think that it is very important, first of all, to look at the budget cycle in your country and see whether you have an opportunity to intervene in the budget cycle in such a fundamental way to bring about this important change? If your budget cycle is such that the Parliament only has a week's debate on the budget and it is just a matter of approving it, then you really need to do something to **reform the budget cycle**.

Having an **entry point for civil society** is very important because you will find that there are many civil society groups who have the resources and the willingness to bring a gender perspective to the budget. Having a process where Parliament has enough opportunity to engage with civil society, to have a look at

the budget from a gender perspective is important. Maybe you want to look at that first. Does your budget cycle present that opportunity to you? If it doesn't, maybe you need to be talking about a law to strengthen the role of Parliament in budget-making. Then look at the capacities of your Parliament: perhaps you have some parliamentary staff. Perhaps you need to strengthen that capacity because you want to introduce a new concept. Therefore, you need to have the capacities there within your Parliament to be able to speak on this matter in a profound and in a serious way.

Thirdly, what about **structures in Parliament**? If you have committees that address the budget issues, maybe you also need a committee that addresses gender issues and also maybe a sub-committee of a budget committee as we are trying to do in my country. I do not think that we have the perfect answer, but you need to reflect on the structure that can spearhead this new concept.

Another issue that I will table is economic literacy for MPs in general. The budget is a tool for implementing economic and social policy. If the fundamentals of economic policy are not understood however, then the impact on the budget by parliamentarians cannot be great.

We did have to spend two or three years doing some training with parliamentarians and civil society to learn what the macro-economic framework was: how the macro-economy is managed, what the fiscal policy is, what the country's public investment programme is, what the trade policy is, what the loan conditionalities are and how these are impacted upon by, for example, the World Trade Organization rules. All these are important issues for parliamentarians to understand before they can have a meaningful impact on the budget and also to see the gender implications. The budget is a tool of economic policy. If we do not invest in understanding the economic policies of our country, we cannot have an impact on the budget.

The next step is understanding the role of gender in the economy, particularly issues such as unpaid work, the time that men and women spend on economic activities and so forth.

I want to conclude by giving you some data I picked up in Australia to bring out the issue of unpaid work in the economy which is central to gender budgeting.

I found that in 1987 in Australia, which is an industrialised country, 252 million hours were spent on market economy activities, and 282 million hours were spent on the household economy and the activities. Thus, household activities took up 12 per cent more time than paid market activities. When it is broken down to what real activities are done per week, in terms of the household work every week, Australian people -- read Australian women - spend 76 million hours cooking meals per week, much more than the main market activities, wholesale and retail trading which amount to 49 million hours.

The second main household activity is laundry and cleaning. That takes 63 million hours of women's time per week. In terms of market activity, the second most important market activity is manufacturing. That takes only 43 million hours. Productivity for women in the household is shopping, 53 million hours. For the market economy, commercial services, 41 million hours. This gives you the relationship, the time and the effort that men and women spend. Bear in mind that women are also working in the market activities but also spending all this time in household activity.

How is the budget supporting this? Don't forget this is an industrial society. When you talk of cooking meals, this is on an electric cooker. It's not like in my country where the woman has to go and fetch firewood for about five hours in the field, or fetch water eight kilometres away for cooking. This is an Australian woman with a tap in her house. We have to look at the effort that men and women put into not only the paid market work but also in household work, and this is part of gender budgeting. We look at how the budget is addressing all the roles that men and women play, and this tool is very important in highlighting the unpaid care economy.

I conclude by saying that there is a lot that parliaments can initiate particularly by looking at the cycle and seeing how to use the resources of civil society and academia in stronger analysis, gender analysis of the budget by building the capacities of parliamentary staff to do this analysis; by restructuring parliamentary

committees so that they can form this function of gender analysis of budgets and policy so that Parliament can be the institution that initiates a new way of looking at the budget. ■



Ms. Aurora Javate de Dios  
Chairperson, National Commission  
on the Role of Filipino Women (NCRFW)

## Mechanisms and methods for developing a gender sensitive budget: the Philippine experience

Ms. Aurora Javate de Dios  
Chairperson, National Commission on the Role of Filipino Women (NCRFW)

Good morning to everyone. Our session has to do with how a gender sensitive budget is conducted in at least two case examples. In brief, the National Commission on the Role of Filipino Women is the national machinery of the Philippine government in promoting gender equality throughout the government bureaucracy and processes.

If it is to happen at all, gender equality requires government to transform the way in which it pursues development so that it can respond effectively and with sensitivity to issues confronting women. To influence government and to eventually guide it toward this transformation, the NCRFW as the national machinery on women advocated for gender and development or what we call GAD, as an alternative development approach. This approach focuses on the social, economic, political and cultural forces that determine how differently women and men participate in development, benefit from it and control its resources and activities.

To enable government to "think and act gender", as it were, and to place squarely on the table of policy and decision making, the NCRFW adopted the gender mainstreaming strategy. This allows the gender perspective to influence all stages of the development process - from the planning, budgeting implementation and monitoring and evaluation of all policies and programs in government. Gender, therefore, is considered as a crosscutting factor that must be taken into account in all stages of development, especially the crucial stage of determining how much of the national budget goes to which programs and projects.

Gender mainstreaming sets into motion the implementation of the GAD budget policy in the country. The policy mandates all government agencies and local government units, or LGUs, to allow a minimum of 5 per cent of their total annual budgets to be used for GAD programs, projects and activities or GAD PPAs, as we call them.

The GAD budget is the cost of implementing the gender and development plan. The 5 per cent is intended to be an indicative figure. By no means do we mean it to be a fixed amount. An initial amount to guide agencies in preparing their GAD budget, it is to be used to influence the other 95 per cent to become gender-responsive so that eventually the entire government budget becomes gender-responsive. When this is achieved, there is no need anymore for a GAD budget because government's entire budget would have been engendered. The GAD budget, by the way, is legislated annually through Section 28 of the General Appropriations Act. This makes it a very powerful tool for advocacy for women's groups and makes the legislature a strong partner for women's empowerment.

The present guidelines for effective gender planning and budgeting are as follows:

- I. Agencies are to formulate their three-year GAD plans within the context of their overall agency plans and programs. The GAD plans must contain PPAs that address existing and emerging gender issues affecting their clients and personnel. Also, these must respond to the three areas of concern of the framework plan for women: women's economic empowerment, women's human rights and gender-responsive governance.

- II. Gender mainstreaming and institutionalisation are to be carried out in all agency plans, policies, programs and administrative and financial procedures to promote gender equality and women's empowerment.
- III. The National Economic Development Authority is to ensure that gender concerns are incorporated into our Medium-Term Philippine Development Plan and that priority gender PPAs certified by the NCRFW are included in the medium-term public investment program.
- IV. Agency heads are to give priority to GAD PPAs in their resource allocation and that the cost of GAD implementation is part of their baseline ceilings; and
- V. Agencies are to develop GAD performance indicators that define the targeted beneficiaries, the expected outputs and the measurable and desirable outcomes of gender mainstreaming and institutionalisation with the organisation and the impact to their clients. These GAD indicators would also serve as the basis for monitoring, evaluation and assessment and accomplishment.

The GAD budget program here in the Philippines has been in existence for eight years. During that time, gender planning and budgeting has achieved modest gains in addressing the concerns of Filipino women. It has, for instance, become a major tool for women to lobby and negotiate with government for resource allocations; it has also been able to constantly remind government about their gender issues and to allocate funds for such purposes.

Because it is a fixed budget item that is renewed every year, it has also become part of the government agenda that is discussed not just at the level of the NCRFW, but at the level of the Committee on Women of the Lower House and the Committee on Women and Family Relations of the Senate. It is both a budget, a Committee on Budget and a Committee on Women and Family Relations concern.

It has, more importantly, propelled agencies and LGUs to look at the gender dimension of their work and functions. In the process, it has also made the oversight agencies work together in order to clarify the roles in gender mainstreaming. There are four oversight agencies that are working towards this - this is the National Economic Development Authority, the National Commission on the Role of the Filipino Women, the Civil Service Commission and the Budget Commission.

The budget policy has also strengthened the NCRFW as the authority on women's concerns since it oversees and provides policy direction and technical assistance on the process, monitors its implementation and recommends measures to further improve it and make it responsive to women's needs. This is the most sought-after item and it is often the central focus of a lot of women's group. Every time we have a consultative meeting or any program, they always inquire about our GAD Budget and the local government units. The GAD Budget also serves as a model for other marginalised centres such as the elderly, the differently-abled and the indigenous people on how to negotiate with government for resources to carry out specific programs for specific sectors.

Nevertheless, there are many, many more challenges that we have to face in trying to make the GAD Budget a truly effective tool for women in meaningfully accessing resources from government. For instance, we still have a long way to go in terms of political and popular support especially among top agency and LGU officials. We can say that, there is some understanding that the mechanics, the technical aspects of the budget and how to translate them into actual programs and projects is still an area for improvement.

Because of the limited technical capabilities and expertise of agencies and LGUs to carry out gender planning and budgeting, and of oversight agencies to provide technical assistance, there is a shortage of technical people who can actually understand how it is translated in budgetary terms.

The GAD Budget has small item in the whole budget process and procedure and we know that in order for us to be able to influence meaningfully the shape and substance of the budget we need to influence

mainstream macro-economic policy programs and the total budget picture. This is very hard to do because a lot of people think that gender planning and budgeting is separate and independent from the mainstream budget process, which it is not. It is supposed to be part of it. The direct link between the micro-level conditions of women and the macro-economic policies are often overlooked and opportunities for influencing these policies are not explored.

Tracking progress and measuring the actual impacts of these projects is still problematic, although we have managed in the last two or three years to document specific examples of projects that actually make a difference to the lives of women.

It is not enough to know how much is being allocated for gender budgeting. Knowing what impact that allocation makes on women is more important. It is equally important to know whether a policy is able to bring positive impact to bear on women's lives and meet our gender goals.

At this point I would like to just point out some very specific stories and documentation of how the GAD Budget has been utilised in running, for instance, a city. In Cebu City, the GAD Budget had been utilised in conducting consultations and hearings with the women in the barangay, being our smallest political unit, to identify the issues that they wanted to address. The local government and the community identified the rising incidence of gang wars, illegal drug use, child labour, child battering, as well as battering of women.

Once these problems were identified, the GAD plan was then used to provide gender sensitivity, legal literacy, protocols for crisis intervention, family dialogue and conflict resolution. As a result, there has been a better documentation and tracking down of the problem areas in the community and it has worked very well. The community became aware of the issue of domestic violence as a community problem and not just the problem of women. Of course, we are very proud to point out our TESDA, Centre, the Technical Education and Skills Development Authority. It has a women centre that is serving as an incubation centre for women's SMEs or small and medium enterprises.

The Philippine Ports Authority is not a particularly gender-centred agency but when it looked at its programs, the Authority noticed that some of areas where vulnerable sectors for women and identified the need for a halfway house for women and children including for those who are stranded at the pier, those who are potential or have been trafficked. In partnership with the Visayan Forum, an NGO, they were able to build what they call a "Haven at the Port", being a crisis centre where women and children are welcomed and assisted in whatever vulnerable situation or crisis they find themselves in. This is a very good example of how an agency makes a diagnosis of the problem of women and men and identifies specific projects utilising the GAD Budget.

Sustaining commitments is a further challenge. The GAD Budget is a technical and political tool, renewed every year. We need the sustained and continuous support of the legislators and our constituencies, the publics that we serve especially the women and men. Gender budgeting is, more importantly, a political exercise and we cannot sit down and assume that for next year there will be a GAD Budget. Of course, we would like it to be a central feature of government because it is something that serves both men and women and it is money well-spent and that is something that is claimed directly by the citizens.

We would also like the commitment to be translated in actual policies and plans and to translate this into actions and resources.

I think gender budgeting is more than a political tool and a technical tool: it has also been an effective mechanism for government accountability. We are talking of governance here and governance is not just about managing the people, it is about the people raising and also trying to assert their sovereign power over government and accessing what is due to them. When you are servicing the poorest, the most vulnerable, and weakest sectors, and they are able to participate in a process whereby they can demand government provide them with certain services or products, then you know that you are empowering the lives of those sectors, who are, in many cases, the women of your community. ■



**Dr. Amelou Benitez-Reyes**  
Commissioner, National Commission on the  
Role of Filipino Women

## Mechanisms and methods for developing a gender sensitive budget

Dr. Amelou Benitez-Reyes  
Commissioner, National Commission on the Role of Filipino Women

The National Commission on the Role of Filipino Women has been in existence for 27 years now. It was the first such machinery for women in Asia. Over the years, we have worked to promote the advancement of women. In the Commission's early years, we were very much involved in providing specific programmes and projects for women. The paradigm we used at the time was really much more focused on women. After a couple of decades, we realised that it was perhaps not sufficient to focus exclusively on specific programmes and projects for women because in the process, women were becoming much more isolated and marginalised. In the beginning, many of the development donors and agencies would question the need for more than programmes and projects. However, despite all the resources provided in the late 1980s by USAID, we felt that women were not really part of the mainstream. We changed the paradigm and decided to concentrate on gender and development (GAD) instead of just focusing on women in development or specific programmes or projects.

### Why gender-development?

Because we felt that women had to be considered in relation to men. When one speaks of gender, one is really considering relationships between men and women. It is necessary to recognise this because sometimes, and even now, gender budgeting gives the impression that it relates to women only. What we really want to emphasise is that gender comprises relationships between men and women. When allocating budgets that take gender into consideration, it is important to know how much of the total resources men and women really enjoy, because policies are not gender-neutral and affect men and women differently. However, the programmes and projects that are developed do not reflect this perspective.

Today, I would like to present to you our experience. The Commission has a vision of women and men equally contributing to, and benefiting from, development. The strategy we have been working on over the years was really in terms of gender mainstreaming. When we talk about gender mainstreaming, we are really interested in the mechanisms and procedures we use to ensure that in the policy formulation, planning and programming stages, internal mechanisms are already in place. Prior to gender budgeting, there must be gender analysis in the planning process. Without gender analysis, it is very difficult truly to ensure that the programmes and projects benefit men and women alike. At the same time, we would also like to promote the idea of gender statistics, sex-disaggregated data, because only the data collected that affects men and women shows differences in terms of benefits and costs. Thus, gender development is an alternative paradigm that we have undertaken in an approach to development. To this end, the Commission, as a natural machinery for women, has pushed for this alternative development, and it focuses on the social, economic, political and cultural forces that determine how differently men and women participate in development and benefit there from via control of resources. To enable government to think and act from a gender perspective and to place gender and development squarely on the table of policy and decision, the Commission advocated gender mainstreaming. Gender is a cross-cutting factor. It must be present in all stages of the planning process – in planning, programming and budgeting. Sometimes we think it only happens in planning itself but not in budgeting. In 1995, the Philippines, through Senator Shahani, spearheaded a budget policy, and for the first time, government's annual appropriations included five per cent allocated for gender development.

From 1995 to date, there has been a gender allocation of five per cent in the budget every year. The budget itself is not a set amount. It really must be part of a gender and plan. You cannot have a GAD budget without a gender plan, because this would prevent you from identifying the issues and concerns you would want such a plan to address.

Five per cent of the total agency budget is allocated for GAD-related programmes and projects. When this was introduced, only 19 agencies participated by introducing GAD plans. Under my leadership, we were able to raise this figure to around 150 government agencies, all with their own GAD plan. Subsequently, in 1998, GAD plans were also introduced for the local government agencies. GAD plans address the issues and concerns essential to the programmes and activities to be supported. There is an allocation of five per cent. This does not necessarily mean that the five per cent is a flat sum. In fact, we are hoping that the five per cent will influence the remaining 95 per cent. If you are incorporating gender planning, gender analysis and gender programming in some form or other, in all aspects of government resources, programmes and projects, there is this kind of perspective. If you think of isolating gender, it becomes exclusively women-focused and does not necessarily act as a support for gender. What guidelines did we utilise in the three-year plan? The agencies are to formulate a three-year plan within the context of their different mandates. The gender plans must contain PPAs, that is, Programme Project Activities, that address existing and emerging gender issues affecting clients and personnel. During the current year, we launched a Framework Plan for Women, and we are now identifying three key areas: promotion of women's economic empowerment; protection and fulfilment of women's rights as human rights; and promotion of gender-responsive governance.

In past years without the Framework Plan, people thought that it was always just a process, the outcome of which remained uncertain. Now, however, in addition to the process, we also have specific outcomes and identifiable targets anchored in the Framework Plan for Women. We are therefore much more specific in ensuring that the allocation that Government enacts every year addresses at least these three areas.

Gender mainstreaming and socialisation are to be incorporated administratively and financially in all agency plans, policies and programmes, in order to generate gender equality and empowerment. There must be certain activities that address women's empowerment in order to achieve gender equality. Gender mainstreaming is not sufficient to achieve gender equality. There are certain biases that have to be specifically addressed, and these are now the target of the gender plans that our government agencies are working on.

In addition, we also have GAD performance indicators that define the target beneficiaries, expected outputs and outcomes of gender mainstreaming.

#### Gender budgeting as an accountability tool

- For me, gender budgeting is an empowerment tool for people. It is something that people can use to make their governments accountable to them. I should never want to see civil society give up gender budgeting as a weapon to call for accountability. Much as I want to build capacity in government and outside government, I think it is important to look at gender budgeting as a tool for empowerment and for poor people to assert themselves before their governments. Ms. Byanyima (Uganda). ■

#### What is their impact on clients?

Agencies have to not only develop indicators but also determine who the target beneficiaries are. In order to know if a GAD plan is achieving the desired results, it is also necessary to collect sex-disaggregated data which enable the experts to determine whether men and women alike are availing themselves of these resources.

What are some of the gains that we have made in terms of this gender budget?

For once, at least, the women feel that they now have a tool with which to lobby government in order to obtain resources. This is not about gender and women – it is really about gender mainstreaming. In other words, men and women must participate in the allocation of resources. Sometimes women are forgotten, marginalised, discriminated against. Now, with the five per cent allocated to gender programmes, there is a mechanism that provides women with an opportunity to lobby and tell government that the government programmes and projects do not always benefit women.

In addition, we are focusing on the plans that local governments are now identifying for their respective constituencies, because sometimes programmes at the local government level are very different from national ones in that they are too localised and thus fail to meet certain needs. In the past, there were no mechanisms enabling women to lobby the different local governments for resource allocation opportunities.

For example, in Cebu, consultations were held with the women. These consultations highlighted the need to allocate specific budgets to respond to women's concerns related to gang wars, illegal drug use, child labour, child battering. Because these problems were brought to the attention of local governments through the consultations, local authorities have now allocated specific budgets in response to these particular problems.

GAD plans have also made it possible to run seminars on gender sensitivity, legal literacy, protocols for crisis intervention, family dialogue and conflict resolution. Normally such plans are enacted without input from the community. In this particular instance, however, because the women knew that this budget existed, they recognised that some of the issues had to be addressed by the GAD plans, which was why these amounts were set aside for these particular projects.

The Ports Authority is another example that I think is worth mentioning here. In addition to dealing with the problem of trafficking in women, the Ports Authority provides a half-way shelter to house women and children in difficult circumstances while the different government agencies process their files. This is one way in which GAD budgets benefit local constituencies.

#### Data collection for gender budgeting

- Before we go to the gender perspective to the budget, first, we have to have the infrastructure ... and also the data, the data about women and men, in employment, as policy makers in the government, and also in the private sector. I do not think that we have all this data in Indonesia. Ms. Pattiasina (Indonesia).
- The kind of information you will need to understand the issues that you want to address in your particular budget, is data that is actually available in statistical departments of governments but which is not published ... If you look in UN documents, like the UNDP Human Development Report, the ILO Annual Report, UNICEF's Annual Report, UNFPA, World Health Organisation, or the UNESCO Annual Report, all of these reports compile data regarding the status of men and women in ... education, in health, the children, labour, employment and so on. This is useful information for each country, and also acts as a comparison with respect to other countries in the region to know where you stand in terms of the advances you are making between men and women. Also in the department, in the Ministries of Finance, in the statistical divisions wherever they are located in your government, you find a lot of raw information. They do not publish it but they collect it because it is the information which they use to make the budget and to determine policy and to make the budget. This information is often there. What you probably need is good staff, parliamentary staff who are good with statistics. Who can go there, find what is available and collate it and bring it before you for you to use in an analysis of your budget. Ms. Byanyima (Uganda).
- One of the activities of the Women's Ministry, as it fights for gender budgeting, is precisely the need for gender disaggregated data and that could be one program that can be pushed as you go into the planning process. However, do not make it a linear process, like we have to have this before we go into gender budgeting, because the gender program itself could include data collection and your Women's ministry, together with your planning office, can really put people together and do this. Ms. Rikken (Centre for Asia-Pacific Women in Politics). ■

## What challenges do we face?

Not everyone subscribes to the notion of gender budgeting. Every year, we still must petition for this kind of allocation, because even though it is in the annual budget, not all are able to understand that it must be part of the mainstream. There is always a misconception. It is allocation outside. When it is allocation outside, it is good if it is part of an analysis, of a gender analysis or part of a plan. Sometimes, as far as I am concerned, it is isolation, it is not part of the mainstream of programmes and projects. We also have limited capacity for technical assistance as well. Not all are able to provide the necessary gender analysis, gender planning and sex-disaggregated data, a shortcoming that leads to a lack of awareness.

I am also very happy to inform you that because of our experience, we were able to lobby for gender and development in the APEC forum. During my time with the APEC forum, and under my leadership, we were able to conduct gender information sessions. Before any working group tackled its agenda, we were given half an hour to present gender and development to the members. Because of that new-found awareness, they are now beginning to recognise that if they want to increase the effectiveness of their programmes and projects, they will have to include women's participation. As a result, almost all APEC Forums, whether they cover the economy, ecotech, trade investment or liberalisation, are now attuned to or aware of the importance of considering gender. Accordingly, we now have gender integration with direct reporting to senior officials. Out of this experience over the past two years, we are now able to identify the issues and concerns that really affect women insofar as trade investment and liberalisation are concerned.

*"Gender budgeting is more than a political tool and a technical tool: it has also been an effective mechanism for government accountability."*

Ms. Aurora Javate de Dios, Chairperson, NCRFW

Some of the problems are tied to difficulties in effectively monitoring the impact of gender plans. The Commission is not all that big, so we have oversight agencies that assist us, the DBM and the NEDA, as well as local government, all of which are now able to monitor compliance. The next stage of our development is not only monitoring compliance but also monitoring the positive impact on the lives of women, because ultimately, that is what is really necessary.

## How do we sustain our commitment?

GAD budgets are technical and political tools. They are political exercises in the sense that a lot of negotiation and compromise go into them. I think that in the end, if there is a gender budget policy (and almost all governments achieve this kind of undertaking), GAD budgets will become an effective tool for helping women to lobby for specific programmes and projects that can address the issues of concern to women who are discriminated against and marginalised.

In addition to working out policies and plans, I think that governments must ultimately recognise that it is necessary for them to introduce and institutionalise specific mechanisms in order to ensure that women really participate fully in government programmes and projects. Governments pay lip service to this, but somehow, at the end of the day, if they do not have GAD budgets, it is very difficult for women to lobby for their participation in resource allocation.

We are still in the process of trying to sharpen our tools – gender planning, gender analysis, gender statistics, gender audits, etc. We hope that once these tools are in place, almost all government agencies will use them as a basis for decision-making, because when decisions are formulated and policies are enacted without a gender perspective, they do not necessarily affect men and women the same way.

In conclusion, I think that the challenge for us is to ensure the gender budgets remain in place because they are mechanisms designed to ensure that resource allocation by governments benefits men and women alike. ■





### Closing Ceremony Special Event

On the occasion of the launch in Manila of the Human Development Report 2002 on *Deepening Democracy*, a topic of particular relevance to MPs, a copy of the Report was handed to each leader of a delegation attending the Seminar. Mr. Terence Jones, Resident Representative of the UNDP in the Philippines and Mr. Martin Chungong, Representative of the Inter-Parliamentary Union, handed the publication to participants.

**Ms. Yolanda Doblón  
Executive Director,  
Legislative Budget Research  
and Monitoring Office,  
Senate of the Philippines**

CLOSING SPEECH  
PARLIAMENTARY STAFF SESSION

I am pleased to take the floor to conclude the parallel session for parliamentary staff of the regional seminar on "Parliaments and the budgetary process, including from a gender perspective". It was a pleasure for me to chair this session, and I wish to thank you all for your presence here.

This initiative has enabled us to debate this complex issue of the budget and to strengthen our understanding in that regard. The presence of parliamentary staff from different countries was a source of interesting comments and inputs though I believe that the debate could have been more lively and the exchange of experience between our different countries facilitated and promoted. This will certainly be taken into account for the organisation of future similar events.

Our two-day debates were I believe rich in information and this is greatly due to the thorough contribution of our resource persons whom I wish to warmly thank: Ms. Winnie Byanyima, M.P. from Uganda, Mr. Paul East, former MP from New Zealand, Mr. Rick Staphenurst, Sr. Public Management Specialist, from the World Bank, Ms. Remedios Rikken, Operations Director, CAPWIP, Dr. Amelou Benitez Reyes, Commissioner, National Commission for the Role of Filipino Women (NCRFW) and Mr. Paul Sinnapan, Secretary General, Credit Union Centre, Malaysia

With their guidance, we have had the opportunity to discuss this crucial issue of Parliaments' role in the budgetary process, including from a gender perspective – a process which puts to test the democratic nature of our varying national legislative systems. Our sessions have certainly widened our perspective and awareness and increased our understanding of the budget procedure and more particularly on the linked gender issues which are central to our society as a whole.

We have distributed to you a document presenting some key points that were raised during the discussion. These are not comprehensive notes as there will be a general report that will be presented in an hour by the seminar's Rapporteur: Senator Magsaysay. However, our discussions were marked by some particular issues which we have set out in the document. I hope that this summarises the main points of our discussions. Of course please let us know should you wish to add more elements to this report.

With this, I would like to conclude by thanking you all for your participation and contributions. I also wish you a very good stay in the Philippines and a safe trip back home. ■



## Mr. Terence Jones, UNDP Resident Representative

CLOSING SPEECH

I know you must be very tired after a long day today but I can see from listening to the summary of your work and the conclusions you've reached and the commitment you make to implement those conclusions that this seminar has been successful.

In UNDP, we very much believe that sustainable human development can be achieved by building strong forms of democratic governance at all levels of society. Indeed, this was the principal message of the Human Development Report 2002, which was launched yesterday in Malacañang with the President of the Republic of the Philippines and the Administrator of UNDP, Mark Malloch Brown, who gave a brief address to you at the opening of your seminar.

Democratic governance ensures that political, social and economic priorities are based on a broad consensus through meaningful participation of all sectors of society, and in particular the poorest and most vulnerable members of society are heard in the decision-making process. When institutions and power are structured and distributed in a way that gives real voice to all the people, especially the poor and the marginalised than they are able to exercise their fundamental right to participate in the decisions that affect their lives. Fundamentally, I think that is your responsibility as parliamentarians because your institutions are endowed with the powers and the means to express the will of the people. When this is accompanied by an active civil society, a vibrant and independent media, an appropriate oversight and accountability mechanisms, then we have the building blocks for meaningful democratic governance.

The Human Development Report 2002 has called for a second wave of democracy in order to put in place and strengthen such institutions and practices which are appropriate to achieving the eradication of poverty and the delivery of basic services that all our people expect and deserve. In that framework is the rationale for UNDP's support to this seminar with IPU and the World Bank.

I would like to congratulate IPU and the Senate and the House of Representatives of the Philippines for so successfully organising this three-day event. We've been very much pleased to be collaborative with you in this endeavor. Now, we look forward to further opportunities in the future to do so well so that from the recommendations you have made, there'll be action plans at the national level.

I understand that IPU would be producing a handbook that will be useful for you and your staff on the budget process, including its analysis from a gender perspective. Now, we certainly look forward to collaborating with you and IPU in the pursuit of your recommendations.

Just as Mr. Malloch Brown emphasised at the opening of the seminar, I would also like to emphasise the importance of the gender perspective. We very much support the need to follow up on the recommendations concerning gender-sensitive budgeting process, the review of government policies and programmes for their impact on women, men and gender relations, and the analysis of how macroeconomic policies, revenue generation and public expenditures improve, or make worse, the condition and status of women and their enjoyment of their human rights is a very, very important initiative.

In this particular region, in the Asia Pacific region, the UNDP Programme, APGEN, intends from later this year, in its second phase, to focus on strengthening the capacities of parliaments to undertake gender budgeting. We look forward to cooperating with you at the national level in strengthening your capacities to do justice.

Mr. Malloch Brown made mention in the Human Report Analysis to continuing constraints we face because there's a serious under-representation of women in parliaments. It is up to you and your colleagues, of course, to correct that, but we will, in the meantime, endorse the importance of supporting women parliamentarians to strengthen their particular capacities to ensure that they are empowered so as to play meaningful roles in the workings of their institutions.

In that regard, we are cooperating with CAPWIP, through APGEN, in the training of women parliamentarians in policy making, transformative leadership and democratic governance.

Now, we look forward to doing more of that with you and we hope that, as the years go by, there'll be more demand because there'll be indeed be more women parliamentarians to empower and train.

At this point, let me conclude and thank you for the inputs you have made over the past three days, for your enthusiastic participation in the discussions. The interest in your commitment to change is essential if, indeed, we have to meet the challenges for strengthening the capacity of your institutions and their capacity to make more effective use of public resources, including in mainstreaming gender in the national budget process. I think you have identified the need to not only discuss, to learn, but to act.

As we bring this seminar to a close, I hope that, as you return to your respective countries, as you discuss with your colleagues there your work here over the past three days, you will indeed come away from this meeting with the will to act in ways that will cultivate the democratic governance we all desire and that, at the top of your agenda will be the importance of effective participation of the people in the budgeting process, including especially gender aspects.

Thank you again for your perseverance over the past three days and I wish you a safe journey and the best in your endeavours to make this world a better place. ■

## Mr. Martin Chungong, Representative of the Secretary General of the Inter-Parliamentary Union

CLOSING SPEECH

May I, first of all, on behalf of the IPU and on my personal behalf extend our sincere thanks to our hosts, the Congress and people of the Philippines, for their most warm hospitality and welcome, as well as friendship. We have, over the past few days, enjoyed excellent arrangements, that have created very optimum conditions for the success of our seminar. May I be allowed to extend our special thanks to the officials and staff of the Congress of the Philippines who have been very cooperative with us in the weeks before the seminar and during the seminar. I would not like to forget the wonderful dinners and entertainment that we have been treated to during these past few days.

Mr. President, distinguished participants, we have just gone through an assessment of the seminar. Judging from what we have had and what you have written in the assessment forms we could take it that this seminar has been successful. We are very heartened by this outcome. We have witnessed rich debates with the participation of all the delegations, men and women alike. We are reassured that the budget debate is very much alive now not only in the Philippines, but in other Parliaments in the region and that Parliaments are increasingly aware of the importance of gender issues. I believe, as I have heard, that the seminar has allowed for a fruitful exchange of experiences. We have heard and listened to some very innovative experiences in the region, as mentioned in the Chair's summing up report. We think that the value of this seminar lies in the fact that it has provided an opportunity for distinguished participants to share these experiences with one another, so as to highlight the successes but also the challenges and constraints that they are facing in their countries when tackling the important issue of the budget including from a gender perspective.

I, therefore, take it that this seminar has been useful. I express the hope, as my colleague from UNDP said, that you will be able to share the knowledge you've gained here with your colleagues when you go back home. More importantly, we hope that you can translate the recommendations and guidelines, contained in the summing up report of the proceedings into the work that you are entrusted with in your various Parliaments so to improve the budget process and also ensure a better integration of gender concerns.

Of course, the organisation of this seminar from the IPU's point of view may not have been perfect. I would like to apologise for any imperfections and would like to reassure you that we'll do our best to improve upon delivery.

As far as the IPU is concerned, I wish to join my colleague of UNDP to assure you that we are going to do our utmost best to follow up the recommendations that you have made in your report. First of all, in cooperation with our host, and the rapporteur, we are going to finalise the report of the proceedings which we shall circulate to all the Parliaments that attended this seminar. We hope that you will give the widest possible publicity to this report in your respective Parliaments and ensure that the recommendations are taken into account in the development of policies within your countries. As UNDP indicated, we are committed to building on the material that we have developed during these past days together with what we have gained through similar experiences in Africa to develop a concrete tool that we hope you'll find useful in your work as legislators and overseers of government especially in the area of budget including from the gender perspective. I am glad that this particular issue of a tool, a handbook, was highlighted and particularly during the proceedings of this seminar. Furthermore, once again, I join UNDP in expressing our commitment to insuring follow up, not only at regional but also at country level, as has been requested by some delegations here.

As you may know, tomorrow we will have a seminar that has been organised together between the IPU, UNDP, the World Bank, and the Congress of the Philippines, specifically for members and staff of the Philippine Congress. This is part of the follow up process that we hope will be replicated in the other countries of the region.

May I conclude by reiterating our thanks to our various partners, UNDP, and particularly Mr. Terence Jones and his staff, for the very effective cooperation we have enjoyed in the preparation and delivery of this seminar. As I said in the introductory statement two days ago, this seminar is a shining example of the fruitful partnership that we have developed during the past three decades with our fellow agency, the United Nations Development Programme. I would like to ask the UNDP Resident Representative to convey to the UNDP Administrator our heartfelt thanks for the honour he did us by attending the opening ceremony of this seminar.

May I make special reference, to the very substantive support we have received from the UNDP Regional Gender Facility, APGEN and its coordinator, Annie Serrano, who has been very helpful in organising this seminar, making materials available, mobilising resource persons and helping us organise the various sessions of this seminar. We are indeed most grateful. Of course, I would not like to forget my colleague of the World Bank Institute with whom we have been working over these past years to develop capacity of parliaments to ensure oversight and transparency in Government. May I assure you, Rick, that we will continue to work with you along these lines and I hope this will be the beginning of a tripartite relationship between the IPU, the World Bank Institute and the United Nations Development Programme in working towards the strengthening of parliamentary capacity worldwide.

May I also be allowed to thank the resource persons who so graciously accepted to come here to share with us their various experiences. Their inputs have been most useful and we think they have provided food for thought for future action by parliaments. May I indeed once again be allowed to cite Secretary Boncodin, who is not here today with us; the Honorable Paul East, who unfortunately has left because he has other commitments; the Honorable Winnie Byanyima from Uganda; Ms. Remy Rikken from CAPWIP; Ms. Aurora Javate de Dios from the National Commission on the Role of Filipino Women; Mr. Paul Sinnapan, and my very good friend, Rick. We thank you most sincerely for your cooperation.

Mr. President, one last word and that is to say - thank you to all the participants who took time off to come to these proceedings. We enjoyed your participation and I would like to use this opportunity to say "au revoir", safe journey to your respective parliaments and we look forward to seeing you in the very near future. I have had the singular pleasure of working with you during these past days and I look forward to continuing cooperation. ■

## Senator Ramon Magsaysay, Jr. Vice Chair of the Committee on Finance, Senate of the Philippines

CLOSING SPEECH

Let me begin by thanking the Inter-Parliamentary Union as well as the United Nations Development Programme and the World Bank for organising this seminar. It was a great honour for the Congress of the Philippines to host this noteworthy undertaking.

Let me also extend, on behalf of the Congress of the Philippines, particularly our Senate President, Franklin Drilon, and our House Speaker, Jose de Venecia, our deep appreciation to all the participants and observers that have attended the seminar. Your attendance here bears witness to the importance we all put on the seminar's theme – the budgetary process, with gender perspective. Our appreciation and recognition also goes to the resource persons that came to share their knowledge and experience – Secretary Emilia Boncodin, Ms. Winnie Byanyima, Mr. Paul East, Mr. Paul Sinnapan, Mr. Rick Stapenhurst, Ms. Remedios Rikken, Ms. Aurora Javete de Dios and Dr. Amelou Benitez-Reyes. Your presentations and statements here have been both inspiring and mind-opening for all of us.

I think it's safe to say that the seminar was a resounding success. The three days have provided us with an arena where we can learn and at the same time, share our own knowledge and experiences. Most importantly, the seminar has also given us the opportunity to comprehend extensively the budgetary process by giving us the tools and mechanisms that would ensure that the process is as fair and effective for both men and women.

Lastly, it is my sincerest wish that the seminar was able to strengthen our capabilities in performing our roles as lawmakers and as representatives of our respective peoples, thus enabling us to put into concrete actions what we all have learned here.

On behalf of the Congress of the Republic of the Philippines, let me wish all of you, each one of you, a safe journey back to your respective countries. I now declare the seminar ended.

Thank you and mabuhay. Thank you. ■



## List of Participants

### Parliamentary Delegations

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#### CAMBODIA

H.E. Yeap Cheam	Leader of the delegation Chair of the Committee on Finance and Banking (CPP)
H.E. Ou Bunlong	Senator, Member of Finance and Banking Committee
Mr. Ung Ty	Deputy Chair of the Committee of Human Rights and Reception of Complaints of the Senate
H.E. Ky Kuoch	Vice-Chair of the Committee on Finance and Banking (FUN)
H.E. Ai Khan	Secretary of the Committee on Finance and Banking (CPP)
H.H. Princess Santa Sisowath	Member of the Committee on Social and Women's Affairs (FUN)
H.E. Mr. Try Por	Member of the Committee on Finance and Banking (CPP)
H.E. Mr. Ramsek Sam	Member of the Committee on Finance and Banking (FUN)
H.E. Hong Sok Heng	Member of the Committee on Finance and Banking (SRP)
Mr. Khlang Oudam	IPU Relations Officer
Mr. Phanna Uong	Assistant to the delegation
Mr. Tan Vannayuth	Assistant to the delegation

#### DEMOCRATIC REPUBLIC OF TIMOR-LESTE

Mr. Francisco Guterres "Lu'Olo"	President of the National Parliament, FRETILIN
Mr. Adalgisa Soares Ximenes	MP, FRETILIN
Mr. Antonio Tilman Cepeda	MP, FRETILIN
Mr. Rui Meneses da Costa	MP, Social Democratic Party
Ms. Maria Helena Milena Pires	MP, Social Democratic Party
Mr. Harold Moucho	Personal Advisor to the Speaker
Mr. Paolo da Costa Nunes	Legislative Assistant
Mr. Luis Nascimento de Jesus	Financial Officer

#### INDONESIA

Mr. Abdullah Zainie	Chair of the DPR RI Budget Committee (Golkar Party)
Ms. Engelina Pattiasina	Deputy Chair of the DPR RI Budget Committee (PDI-P)
Mr. Arief Mudatsir Mandan	Deputy Chair of the DPR RI Budget Committee (PPP)
Mr. Aliy As'ad	Deputy Chair of the DPR RI Budget Committee (PKB)
Mrs. Tari Siwi Utami	Member of the Budget Committee (PKB)
Mr. Samuel Koto	Member of the DPR RI Budget Committee (PAN)
Mr. Simon Patrice Morin	Member of the Budget Committee (Golkar Party)
Mr. Supriadi	Member of the Budget Committee (TNI-POLRI)
Mr. H.M.S. Kaban	Member of the Budget Committee (PBB)
Mr. Abdullah Alwahdi	Member of the Budget Committee (PDU)
Mr. Malem Sambat Kaban	MP
Mr. Subagio Anam	MP
Mrs. Sylvia Ratnawaki	MP
Mr. Setyanta Nugraha	Head of the Budget Committee Secretariat

Mr. Nando	Staff of the Budget Committee Secretariat
Mr. Thomas Andrew Cormier	Program Director of NDI Indonesia Legislative Strengthening Program
Ms. Ananta Gondomono	Senior Program Officer of NDI Indonesia Legislative Strengthening Program
Mr. Edimon Ginting	Economic Advisor of IRIS-Indonesia
Ms. Adijaya Yusuf	Legal Advisor of IRIS-Indonesia

### LAO PEOPLE'S DEMOCRATIC REPUBLIC

Hon. Dr. Somphong Mongkhonvilay	MP, Minister to the Prime Minister's Office, President of the Lao National Mekong Committee
Hon. Mrs. Souvanpheng Bouphanouvong	MP, Director General of Lao Cotton Company
Mr. Phongsavath Keola	First Secretary, Deputy Chief of Mission

### MALAYSIA

Hon. Wan Junaidi bin Tuanku Jaafar	MP, Leader of the delegation
Hon. Christina Lorline Stephen Tibok	Senator
Hon. Dato Loke Yuen Yow	MP
Hon. Mohamed Nasir Bin Che Daud	MP
Mr. Haji Mustakin Bin Salamat	Principal Assistant Secretary
Mr. Abdul Jalil Bin Abdul Ghani	Assistant Administrative Officer

### PEOPLE'S DEMOCRATIC REPUBLIC OF CHINA

Mr. Quo Zhengjian	MP, Leader of the delegation Chair of the Financial and Economic Affairs Committee, Chair of the Budget Affairs Committee, NPC
Mr. Chi Haibin	Member of the Standing Committee of NPC, Member of Financial and Economic Affairs Committee, NPC
Mr. Zhang Xiao	Member of the Standing Committee of NPC, Member of the Financial and Economic Affairs Committee
Mr. Zhang Quangrui	Vice-Chair of Budget Affairs Committee, NPC
Mr. Yao Sheng	Director of Budget Examination Office, Budget Affairs Committee
Mr. Jian Feng	Vice-Chief of Research Office, Budget Affairs Committee, NPC
Mr. Wenze You	Director of Foreign Affairs Bureau, NPC
Mr. Yi Zhou	Staff of NPC
Mr. Tian Jang	Staff of Foreign Affairs Bureau, NPC
Mr. Hengwei Jiang	Staff of Foreign Affairs Bureau, NPC

### PHILIPPINES

Mr. Franklin M. Drilon	President, Senate
Mr. Jose de Venecia, Jr.	Speaker, House of Representatives
Mr. Ramon B. Magsaysay, Jr.	Senator
Mr. Roland Andaya	Congressman, Chair Appropriations Committee
Mr. Jesli Lapus	Congressman
Ms. Imee Marcos	Congresswoman
Mr. Joey Salceda	Congressman
Mr. Federico Sandoval	Congressman

Ms. Erlinda R. Aguja	Director III, Senate Tax Study and Research Office
Ms. Julieta Apostol	Committee Affairs Department, House of Representatives
Mr. Arthur H. Atiles	Director III, Legislative Committee Support Service B
Atty. Arenl Jose Bañas	Deputy Secretary, Administrative and Financial Services, Senate
Ms. Desirié Barrameda	Committee Affairs Department, House of Representatives
Mr. Pancho Belen	Committee Affairs Department, House of Representatives
Mr. Harvez S. Buena	Committee Affairs Department, House of Representatives
Ms. Theresa Bugayong	Committee Affairs Department, House of Representatives
Ms. Carolyn Q. Bukuhan	Committee Affairs Department, House of Representatives
Ms. Susan Bulan	Committee Affairs Department, House of Representatives
Atty. Richard Cambe	Director IV, Office of Senator Revilla
Ms. Julietta Cervo	Director III, Institutional Linkages Service, Senate
Mr. Renato Chua	Director III, Legislative Budget Service, Senate
Ms. Winnie Cobar	Office of Senator Revilla
Ms. Carolina Custodio	Committee Affairs Department, House of Representatives
Ms. Felicisima Dato	Office of the Sergeant at Arms
Ms. Cecilia de Sahagun	Committee Affairs Department, House of Representatives
Ms. Angela Celeste Dimalanta	Committee Affairs Department, House of Representatives
Ms. Pilar Dulay	Supervising Legislative Staff Officer
Ms. Mercedes Duterte	Committee Affairs Department, House of Representatives
Mr. Delfin Espiritu	Director V, Senate
Mr. Jhun Espiritu	Legal Staff, Senate
Atty. Julieta Eustaquio	Senate
Mr. Gary Glen Fantastico	Senate
Mr. Casiano Flores	Executive Director, Office of Senator Revilla
Ms. Maria Victoria Francia	Legislative Budget Research and Monitoring Office, Senate
Ms. Pacencia Garcia	Director III, Parliamentary Counselling, Senate
Ms. Rechilda B. Gascon	Director III, Senate Tax Study and Research Office
Ms. Yvonne Glinoga	Committee Affairs Department, House of Representatives
Ms. Leonila Gutierrez	Committee Affairs Department, House of Representatives
Ms. Lorelei M. Hernandez	Committee Affairs Department, House of Representatives
Ms. Lina Q. Jones	Committee Affairs Department, House of Representatives
Ms. Maria Leni Lebrilla	Committee Affairs Department, House of Representatives
Ms. Myrna R. Ledesma	Senate Audit Committee
Ms. Jocelyn Lim	Committee Affairs Department, House of Representatives
Mr. Victorio Liscano	Committee Affairs Department, House of Representatives
Mr. Esperanza Manahan	Committee Affairs Department, House of Representatives
Mr. Donald C. Marasigan	Committee Affairs Department, House of Representatives
Mr. Jose Melgarejo	Committee Affairs Department, House of Representatives
Ms. Maria Socorro Mendoza	Committee Affairs Department, House of Representatives
Ms. Lina Mortega	Committee Affairs Department, House of Representatives
Ms. Vivian Nacion	Committee Affairs Department, House of Representatives
Ms. Teresa Orlino	Committee Affairs Department, House of Representatives
Atty. Renato Ortile	Director III, Senate
Ms. Maritess Pagunuran	Committee Affairs Department, House of Representatives
Ms. Eiren Palanca	Legislative Budget Research and Monitoring Office, Senate
Mr. Crispulo Pascual	Committee Affairs Department, House of Representatives
Mr. Abraham Pelonio Jr.	Committee Affairs Department, House of Representatives
Ms. Lita Plopino	Committee Affairs Department, House of Representatives
Ms. Henedina Mary Polo	Committee Affairs Department, House of Representatives
Ms. Sylvette Pono	Committee Affairs Department, House of Representatives
Mr. Hilarion Ramiro	Director II, Legislative Committee Support Service B
Ms. Alodia Ramos	Committee Affairs Department, House of Representatives
Ms. Elena Ramos	Committee Affairs Department, House of Representatives
Ms. Nora Rivera	Committee Affairs Department, House of Representatives
Ms. Emina Rollan	Committee Affairs Department, House of Representatives
Atty. Caroline Sabio	Committee Affairs Department, House of Representatives

Ms. Portia Silang	Committee Affairs Department, House of Representatives
Ms. Germila Tabigne	Committee Affairs Department, House of Representatives
Mr. Virgilio Tatlonghari	Legislative Budget Research and Monitoring Office, Senate
Mr. Raul Terso	Committee Affairs Department, House of Representatives
Ms. Mercedita Urbano	Legislative Budget Research and Monitoring Office, Senate
Ms. Maria Lourdes Uy	Committee Affairs Department, House of Representatives
Mr. Marlon Valencia	Committee Affairs Department, House of Representatives
Mr. Artemio Valez	Committee Affairs Department, House of Representatives
Ms. Fara Villanueva	Administrative and Financial Services

### **RUSSIAN FEDERATION**

Ms. Nadejda Azarova	MP, State Duma, Member of "Far" Deputy Fraction
Mr. Mikhail Bourovishev	Counsellor (State Duma Staff)

### **SRI LANKA**

Mr. Anura Priyadharshana Yapa	MP, Chairman, Public Accounts Committee
Mr. Jeyaraj Fernandopulle	MP, Chairman, Committee on Public Enterprises
Mr. Waruna Bandara Dhammika Dasanayake	Assistant Secretary General of Parliament
Mr. Roland Fernando	Assistant Director Administration

### **THAILAND**

Mr. Surajai Sirinupongs	Senator, Chief Adviser of the Standing Committee on Finance, Banking and Financial Institutions
Mr. Pongpan Suntorachai	Member of the House of Representatives, Thai Rak Thai Party, Member of the Committee on follow-up of Budget Administration, Delegate
Ms. Steejit Taipiboonsuk	Foreign Relations Officer, House of Representatives, Secretary to delegation

### **VIET NAM**

Mr. Quang Minh Le	Member of the National Assembly
Mr. Hoang Anh Nguyen	Economic expert, Economic and Budget Department of the Office of the National Assembly

## Resource Experts

---

### DEPARTMENT OF BUDGET AND MANAGEMENT, PHILIPPINES

Ms. Emilia Boncodin Secretary

### PARLIAMENTS

Ms. Winnie Byanyima Member of Parliament, Uganda  
Mr. Paul East Former Member of Parliament, New Zealand

### WORLD BANK INSTITUTE

Mr. Rick Stapenhurst Senior Public Management Specialist, Governance  
Regulation and Finance Division

### CENTRE FOR ASIA-PACIFIC WOMEN IN POLITICS

Ms. Remedios I. Rikken Operations Director

### NATIONAL COMMISSION ON THE ROLE OF FILIPINO WOMEN

Ms. Aurora Javate de Dios Chair  
Dr. Amelou Benitez-Reyes Board Member

### CREDIT UNION PROMOTION CLUB

Mr. Paul Sinnappan Trainer/Consultant

## Civil Society

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### CENTRE FOR ASIA-PACIFIC WOMEN IN POLITICS

Ms. Sylvia Ordonnez Executive Director

## International Organisations

---

### UNITED NATIONS DEVELOPMENT PROGRAMME

Mr. Mark Malloch Brown	Administrator
Dr. Emmanuel Buendia	Programme Manager, Governance Unit
Ms. Rosanita Serrano	Programme Coordinator
Mr. Hendrik Lindroth	Programme Manager
Dr. Socorro Reyes	Senior Gender Adviser
Ms. Angela Ison	Programme Assistant
Ms. Veronica Jimenez	Information Assistant

### INTER-PARLIAMENTARY UNION

Mr. Martin Chungong	Officer in Charge, Programme for the Promotion of Representative Institutions
Ms. Kareen Jabre	Manager, Programme for Partnership between Men and Women

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 Ms. Teresa Sarmiento  
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 Ms. Sonia Tupaz  
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 Ms. Imelda Vicedo  
 Ms. Rosemelita Vidallon  
 Mr. Francisco Villanueva ■

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Inter-Parliamentary Union Chemin du Pommier 5 Case Postale 330 CH-1218 Le Grand Saconnex (GE) Switzerland Tel: +41 22 919 41 50 Fax: +41 22 919 41 60 e-mail: <a href="mailto:postbox@mail.ipu.org">postbox@mail.ipu.org</a> Website: <a href="http://www.ipu.org">www.ipu.org</a>	Inter-Parliamentary Union 220 East 42nd Street Suite 3102 NEW YORK, N.Y. 10017 USA Tel: +1 212 557 58 80 Fax: +1 212 557 39 54 e-mail: <a href="mailto:ny-office@mail.ipu.org">ny-office@mail.ipu.org</a>
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# What is the IPU?

The Inter-Parliamentary Union (IPU) is the world organisation of Parliaments of sovereign States.

It is the focal point for world-wide parliamentary dialogue and works for peace and co-operation among peoples and for the firm establishment of representative democracy.

To that end it:

- Fosters contacts, co-ordination, and the exchange of experience among Parliaments and parliamentarians of all countries;
- Considers questions of international interest and concern and expresses its views on such issues in order to bring about action by Parliaments and parliamentarians;
- Contributes to the defence and promotion of human rights - an essential factor of parliamentary democracy and development;
- Contributes to better knowledge of the working of representative institutions and to the strengthening and development of their means of action.

The IPU supports the efforts of the United Nations, whose objectives it shares, and works in close co-operation with it. It also co-operates with regional inter-parliamentary organisations, as well as with international organisations (either intergovernmental or non-governmental) which are motivated by the same ideals.

As of September 2003, 138 national Parliaments were Members of the IPU. Five international parliamentary assemblies were Associate Members.



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