



Ministry of Finance and
Economic Cooperation



GENDER GAP ANALYSIS OF THE PUBLIC FINANCE MANAGEMENT SYSTEM OF ETHIOPIA



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Gender Gap Analysis of the Public Finance Management System of Ethiopia

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Ministry of Finance and
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Finally, the Ministry would also like to acknowledge with much appreciation the crucial role various partners played during the inception and validation workshops and bilateral meeting. The Ministry further urges stakeholders to take the recommendations of the study and inform their programmes to enhance Gender Responsive Public Finance Management System in Ethiopia.

FOREWORD

Public Financial Management (PFM) is a critical element of how governments raise and use resources to meet the public's needs. Governments have a crucial role in generating economic development and to achieve this, the national budget is a key policy instrument for setting priorities for short and medium term. PFM and national budget constitutes a process – not a document.

Gender Responsive Budgeting (GRB) seeks to incorporate gender equality perspective into the budgetary process to ensure an efficient allocation of resources based on identified needs, and to restructure revenues and expenditures to strengthen gender equality and women's empowerment.

A fully implemented GRB represents an advanced form of PFM reform, tracking the allocation of funds to gender equality outcomes with the objective of ensuring that allocations are efficiently used.

One of the goals of PFM reform is to improve service delivery that leads to effective resource allocation. This reflects the new PFM paradigm that goes beyond accurate and efficient accounting and the (new) role of Ministries of Finance (MFs) in leading the process of achieving social impact through fiscal policy. GRB is a tool for integrating social dimensions, based on gender relevance, into the planning and budgeting process. This integration means that MFs are also responsible for leading

initiatives to measure the social impact of PFM development.

The Government of Ethiopia through the Ministry of Finance and Economic Cooperation (MoFEC) plays a leading role in promoting and institutionalizing GRB. Since 2012 with the development of the National Gender Responsive Budgeting Guideline, MoFEC has been introducing GRB to the growth oriented Sectoral Ministries and their regional Bureaus to ensure roll out of annual plans in gender responsive manner as envisioned in GTP I and II as well as MDGs and SDGs.

UN Women has been working with MoFEC since 2012 in promoting GRB nationally. Currently MoFEC has taken the initiative to conduct Gender Gap Analysis of the Public Finance Management System for which UN Women provided technical support together with the financial support that UN Women received from the Government of Sweden. The gender gap analysis produced key recommendations to enhance gender responsiveness of the PFM system.

Ministry of Finance and Economic Cooperation and UN Women believe that the recommendations of this study will be adopted by different stakeholders engaged in Ethiopia PFM system.

**Ministry of Finance and Economic Cooperation and
UN Women**

ACRONYMS

BPfA	Beijing Platform for Action
BSC	Business Score Card
CSA	Central Statistical Agency
DAC	Development Assistance Committee
FTA	Financial Transparency and Accountability
GTP	Growth and Transformation Plan
DFID	UK Department of International Development
GRB	Gender responsive-Budgeting
ILO	International Labour Organization
IMF	International Monetary Fund
M&E	Monitoring and Evaluation
MEFF	Macroeconomic Fiscal Framework
MoFEC	Ministry of Finance and Economic Cooperation
MoANR	Ministry of Agriculture and Natural Resources
MoUDH	Ministry of Urban Development and Housing
MoWCA	Ministry of Women and Children Affairs
OECD	Organization for Economic Cooperation and Development
OFAG	Office of the Federal Auditor General Ethiopia
PFM	Public Finance Management
SDGs	Sustainable Development Goals
ToT	Training of Trainers
UNECA	United Nations Economic Commission for Africa
UNESCO	United Nations Educational, Scientific and Cultural Organization
UN Women	United Nations Entity for Gender Equality and Women's Empowerment
VAT	Value Added Tax



1

INTRODUCTION

The Public Finance Management (PFM) System comprises different institutions responsible for managing public resources. As defined by the OECD Development Assistance Committee (2009), the PFM system typically encompasses “all components of a country’s budget process including strategic planning, medium-term expenditure framework, annual budgeting and also revenue management, procurement, control, accounting, reporting, monitoring and evaluation, audit and oversight”. Budget management is a core component of PFM but it is not its sole interest. The PFM system is also a tool to carry out public policies just as the national budget is another type of instrument to implement a country’s national budget.

The public finance management system aims to improve accountability, efficiency, and transparency in the use of public resources. It is designed to ensure the direct, immediate, substantial and economical delivery of public services. Given the key objectives of targeting those women and men, girls and boys most in need, a crucial underpinning of the PFM system is gender equality. Moreover, the PFM system must be wholly transparent to meet the accountability demands of citizens regarding how, where, and when resources are both allocated and used. Therefore, the visibly equitable use of resources is a critical feature of sound PFM. **When PFM uses resources efficiently to address identified needs, the system both strengthens gender equality and enhances economic growth in a clearly win-win situation. Indeed, one cannot follow without the other.**

In Ethiopia, the overarching framework that guides social and economic development is a series of five-year Growth and Transformation Plans (GTPs). The first Growth and Transformation Plan (GTP I) for 2010/2011-2014/2015 aimed to foster broad-based development in a sustainable manner. Rolled out in 2016, GTP II (2016-2020) aims to consolidate the achievements of GTP I while also responding to emerging gaps and challenges. GTP II focuses on equitable economic growth, especially on the competitiveness of the productive sectors – including agriculture and manufacturing – to transform the domestic private sector, manage urbanization, encourage good governance, build a climate resilient green economy, and promote women and youth empowerment. The GTP II Pillars are aligned to the United Nations Sustainable Development Goals (SDGs).

Ethiopia has achieved considerable progress in both bridging gender gaps and in supporting initiatives for the empowerment of women by using national development and other sectoral plans. According to the National Beijing +20 Progress Report, gender parity in girls’ primary education enrolment rose from 40.7 per cent in 1999/2000 to 92.4 per cent in 2012/2013. In promoting access to health services, 98 per cent of health care workers – most of whom are women – have been deployed to support women’s access to various health services such as antenatal care, maternal care, contraceptive provision, and HIV and TB detection. In strengthening women’s economic empowerment, Ethiopia has also focused on access to, and control over, productive resources – particularly through improved land certification and policies regarding property ownership.

The Government of Ethiopia has demonstrated an unequivocal commitment to address gender inequality and other social inequalities that prevent sustainable changes and equitable development by creating conducive legal, policy and institutional frameworks and through developing mid-term plans for Ethiopian women and girls. To create an enabling policy and legislative environment for gender equality, GTPs I and II feature stand-alone pillars (7 and 8 respectively) on women’s and youth’s empowerment. Further, all the other pillars include Gender responsive indicators and targets.

GRB work was initiated by MoFEC through the development of National GRB Guideline for mainstreaming gender in budget process starting in 2012 in collaboration with UN Women. The guideline, first attempt to institutionalize GRB in the country, demonstrated increased government commitment to the promotion of gender equality. The current government initiative regarding pro-poor sector budgeting provides further opportunity to mainstream gender in macroeconomics.

1.1. Previous and current efforts in mainstreaming gender in PFM in Ethiopia

Currently, the Government of Ethiopia implements diverse initiatives and programmes to promote gender equality and full national development. The Expenditure Management and Control Programme (EMCP) reforms are undertaken in relation to the spending side of the budget. This approach creates

fertile ground for institutionalizing GRB. In addition, programme budgeting provides ample opportunity for experts, planners and budget officers to mainstream GRB approaches.

In Ethiopia, the Gender Responsive Budgeting approach is practiced at the federal level and creates a closer link between resource use and output. The approach is vital to poverty reduction in general and to enhancing gender equality in particular.

The nationwide Promotion of Basic Services Programme aims to increase women's access to quality basic services in education, health, water, agriculture, and rural roads. Financial Transparency and Accountability (FTA) on the supply side and the Social Accountability programme on the demand side sub-component continue to strengthen the budget literacy training (BLT) of citizens on a massive scale by giving special attention to the participation of women.

A robust capacity development component has also been implemented through training parliamentarians in GRB within the legislative arena. To build consensus, GRB trainings in methodology and tools have also been undertaken for budgeting and gender experts as well as department heads. These GRB trainings sensitize planning and budget department heads on how they can formulate Gender responsive plans and budgets both at federal and regional levels. The GRB Guideline and the preparation of the Training Manual aim to provide an operational framework for mainstreaming gender perspectives into the Ethiopian budgeting process, particularly in the new programme budgeting system.

These capacity development efforts have resulted in increased awareness regarding the gender impacts of budgetary decisions, and improved capacity to analyse budgets from a gender perspective. Consequently, gender issues are now debated in budget hearings and mentioned in speeches at sector ministries by high officials in the Ministry of Finance and Economic Cooperation (MoFEC) and parliamentarians. Specifically, in 2016 a proclamation was issued to amend the Federal Government of Ethiopia's Financial Administration Proclamation. The Proclamation stated that "new sub-article (3) is added following sub-article (2) of Article 20 of the Proclamation: gender issues shall be taken into consideration during public budget

preparation". The result has been a growing focus on gender issues in the budget process.

Despite these advances, challenges continue including the very limited institutionalization of GRB at various stages of the planning and budgeting process, low levels of GRB technical know-how in the areas of gender analysis and reporting, data collection, and monitoring and evaluation. This limitation is due mainly to limited use of age and sex-disaggregated data as well as gender analytical data to support evidence-based planning, especially in the regions.

Based on the above, this gender gap analysis of Ethiopia's PFM System – which includes resource mobilization and fiscal policies among others – is expected to produce key recommendations that will both provide evidence to support the institutionalization of GRB nationally, and enhance financing for gender equality.

1.2. Background of the study

UN Women supports the Government of Ethiopia in mainstreaming gender into planning and budgeting processes through the Ministry of Finance and Economic Cooperation. Most of the organization's support has been through capacity-building regarding Gender Responsive Budgeting. In 2017, with a commitment to increase financing for gender equality and influence the broader macroeconomic framework and PFM system beyond the budget process, UN Women, in partnership with MoFEC, started an enquiry into the gaps in mainstreaming gender in the PFM system. This report consolidates the inputs derived from a PFM review inception workshop, bilateral meetings, and the review of relevant legal and policy frameworks.

1.3. Purpose of the study

The main objective of this review is to conduct a gender gap analysis of the PFM system and to assess the capacity of key stakeholders in fulfilling their roles in the system from a gender perspective.

The key institutions in this process include: MoFEC Directorates, i.e. Gender Directorate, Budget Preparation and Administration Directorate, Public Finance Management Reform Directorate, Macro Economic Policy and Management Directorate; National Planning Commission; Growth Oriented

Sectoral Ministers; Auditor General; and United Nations agencies.

The study also assessed the capacity of the MoFEC Gender Directorate and the Gender Directorates of selected ministries, namely the Ministry of Agriculture and Natural Resources, the Ministry of Urban Development and Housing and the Urban Job Creation and Food Security Agency (previously known as FeMSEDA). These ministries provide technical assistance in mainstreaming gender in planning, budgeting, implementation, monitoring and reporting.

The study also assessed the related GRB programmes of the United Nations Economic Commission for Africa (UNECA), the UK Department for International Development (DFID) and other development partners in supporting the Government of Ethiopia to mainstream gender in the country's PFM.

The process of undertaking this study included clearly sequenced activities:

- Preparation of data collection tools and a review of the literature
- An inception workshop with relevant stakeholders who provided further guidance on the study
- A review of relevant legal and policy frameworks and related documents to assess provisions, or the lack thereof, that mainstream gender in PFM in Ethiopia
- Bilateral discussions with staff of relevant institutions for the study
- A comprehensive report on key recommendations regarding how to mainstream gender in PFM in Ethiopia
- Validation of the study in cooperation with key stakeholders and preparing a road map

1.4. Scope of the study

The PFM gender gap analysis was carried out at a federal level through the active involvement of MoFEC and other relevant counterparts including the Planning Commission, MoWCA, selected sector Ministries, Office of the Federal Auditor General (OFAG), the Civil Service University and donor agencies. The scope of the study, however, did not extend to regions, sub-regions, and the *woreda* level as regions and *woredas* replicate the PFM system of the federal level.

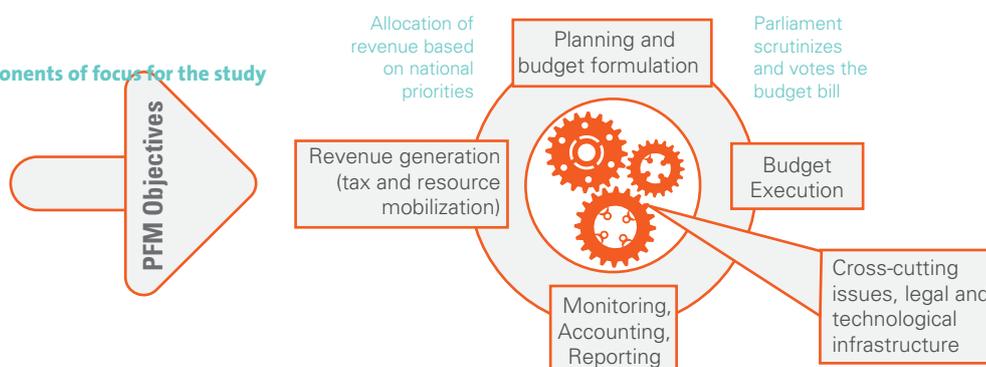
1.5. Study limitations

It is important to note the unavailability of some stakeholders in the data collection process, such as parliamentarians. The absence of direct input by parliamentarians in the data collection process might have limited the identification of gender gaps in the budget approval process, a key component of the PFM system. An attempt was made, however, to mitigate this limitation through a stakeholder workshop where inputs were obtained through interviews with those who work in close collaboration with parliament. The fact that the study was conducted only at the federal level could also inhibit the inclusivity and representation of the findings.

1.6. Conceptual framework

Given the broad spectrum of the PFM system, which comprises nine¹ components, and the importance of adopting an incremental approach to gender mainstreaming of the PFM system in Ethiopia, the gender gap analysis focuses only on the following five components: (i) planning, (ii) budget formulation and execution (approval), (iii) budget implementation, monitoring and reporting, (iv) revenue generation and (v) auditing.

Figure 1:
PFM components of focus for the study



¹ The nine components of PFM are (i) planning, (ii) budget preparation, (iii) approval by parliament, (iv) budget through treasury, (v) procurement, (vi) accounting, (vii) auditing, and (viii) reporting (ix) revenue generation and administration

These five components were selected given Ethiopia's context and the experiences of other countries in introducing gender into PFM. Most countries started off with these five components (or at least a few of them) given the required extensive work on gender and PFM especially the adoption of Gender Responsive Budgeting.² For each of the components, the assessment focused on existing legal and policy frameworks, the capacities of the key stakeholders engaged in each component, and the tools, guidelines and opportunities available to mainstream gender in the PFM. Other countries' experiences (Morocco, Rwanda, Kenya, Tanzania are some examples for this study) in gender and PFM highlight that political will, technical capacity and sex-disaggregated data are key challenges as well as opportunities in the drive for Gender responsive public finance management.

This study is further guided by interconnections across gender, PFM and gender-based budgeting. The mainstreaming of gender in PFM is often mistaken for the mere introduction or institutionalization of GRB. For this study, however, GRB encompasses:

- an approach that calls for integrating gender into government planning and budgeting processes;
- a process by which gender equality considerations in public spending are done through a variety of procedures and forms of analyses;
- an assessment as to whether a country has systems to track and make public allocations for gender equality and women's empowerment;
- a gender equality perspective into the budgetary process to ensure an efficient allocation of resources based on identified needs; and
- a means of restructuring revenues and expenditures to strengthen gender equality and women's empowerment.

The present study, therefore, looks at the broader use of GRB beyond a limited focus on budget preparation and implementation and includes all aspects of the five selected components of PFM.

² Most of the countries whose Gender responsive PFM efforts were reviewed had the following key success factors: started with pilot sectors; few PFM components with a focus on the budget and budget process; strong political will and commitment; and a focus on legislative and policy reforms.

A fully implemented Gender responsive budget represents an advanced form of PFM. It tracks the efficient allocation of funds and tariffs and their implications for gender equality outcomes.

1.7. Approach of the study

To learn from the experience of other countries and to identify gaps, the analysis of the PFM system assessed the activities of key players in gender and PFM, especially regarding GRB. The main approach of the study, however, was through an initial inception workshop that brought together a broad group of stakeholders from government, development partners and through bilateral discussions with key GRB players in Ethiopia. A desk review of relevant literature also informed this study. Further inputs will be sought and obtained during the report's validation workshop.

The study focused on the following key areas for the review, inception workshop and discussions:

- policy/legal framework
- guidelines and tools
- stakeholders in the process and their capacity gaps
- past and current gender and PFM work

Annex 1 provides a guiding framework with key questions adapted for each of the bilateral meetings. The framework was developed to obtain information on key stakeholders' experiences in gender and PFM in planning, existing legislation and policies, capacities and partnerships.

Annex 2 is a list of institutions that attended the PFM inception workshop and bilateral meetings.



2

CONCEPTS AND GLOBAL PRACTICES ON GENDER AND PFM

2.1. PFM and Gender Responsive Budgeting

Public finance management is a critical element in how governments raise and use resources to meet public needs. The budget process is central to PFM. However, the dominant literature on PFM systems appears to be limited in its approach to gender (i.e. tokenism and equating gender with women instead of approaching it from the perspective of social norms and power relations) (DAC Network on Gender Equality, 2010).

Longstanding attempts have been undertaken in both OECD and non-OECD countries to reform PFM systems to be more effective, transparent and accountable and to generate various approaches to PFM. Reform demands resources and skills and often implies challenging vested interests. Consequently, reform efforts of both donor and partner countries are often slow or even fail. The situation has recently led to gradual, step-by-step approaches to PFM reform that seek to establish basic, functioning national budgets before proceeding to more advanced reforms.

“Basic” budgetary functions that reform processes seek to achieve the following:

1. One universal and unified budget system without off-budget items or parallel budgets
2. Effective recording and reporting of expenditures and revenues, ensuring that the government knows how funds are raised and spent
3. Transparency and openness about budgeting processes and disbursements, enabling the identification of disparities between pledges and actual allocations.

More advanced reforms typically attempt to:

1. Establish a link between the budget and initial objectives to assess whether government policies correspond with budget allocations
2. Include measures of outputs and outcomes in the budgetary framework, allowing for a review of effectiveness and efficiency.

A fully implemented Gender responsive budget represents an advanced version of PFM reform, tracking the allocation of funds, tariffs and their implications in terms of gender equality outcomes and with the objective of ensuring efficient

allocation use. In practice, however, most existing GRB initiatives are simply selective, one-off analyses of benefit incidence or allocation patterns in a sector or within a ministry.

2.2. Gender Responsive Budgeting

Budgets are universally accepted as powerful tools in achieving development objectives. They indicate commitment to the stated policy of governments and their response to persisting development challenges including gender inequality, poverty, exclusion and economic injustice. The literature indicates that budgetary policies are likely to affect men and women differently given their respective roles in society and distinct consumer behaviours (Barnett and Grown, 2004).

GRB is a means of integrating a gender perspective into all steps of the budget process – planning, drafting, implementing and evaluating – to ensure that budget policies carefully consider a society’s gender issues (UNESCO, 2010). Significant differences across budgets, countries and contexts make it impossible to provide a simple blueprint for GRB. Instead, it can be characterized as a set of budget approaches and methods transformed by the incorporation of a gender-equality perspective. GRB tools “are not a blueprint, do not need to be used completely, and certainly should be adjusted to country contexts” (Austrian Development Cooperation, 2009, p. 8). Indeed, tailored approaches to GRB are critical to its successful implementation.

Sharp (2003) identifies the following three phases – not mutually exclusive but often sequential – of a GRB initiative:

1. **Awareness:** the key objective of this initial phase is to make gender disparities more visible. Access to sex-disaggregated data is vital to gender-specific analyses of revenues and expenditures in budgets. This phase also includes building the capacity and sensibility of key stakeholders. The involvement of civil society here is essential in raising awareness.
2. **Accountability:** this phase usually extends GRB initiatives from the initial one-off analysis of budget allocations to cover the entire budget cycle. This typically involves securing the accountability of government agencies for GRB, which may lead to some form of institutional change. Consequently, objectives evolve from transparency and information about gender inequalities in budget

allocations to the generation of a strong sense of accountability for gender equality objectives.

3. Change (= Action): this phase is the ultimate objective of GRB initiatives and implies changing government budgets and policies. This change necessitates additional tools and methods – not least in relation to monitoring and evaluating the impact of the change in allocations. Very few documented examples of GRB initiatives have progressed to this third phase. It is, to quote Sharp (2007), “generally thought that GRB initiatives have a greater measurable track record in generating analyses than changing budgets and policies”.

A common and cross-cutting recommendation in the literature is for a range of stakeholders to discuss, participate in and decide on issues, methods and implementation at all stage (for instance, see Austrian Development Cooperation, 2009, pp 7, 11). Stakeholders include civil society (notably women’s groups), researchers and government officials.

The availability of sex-disaggregated data is also crucial for all approaches and tools that seek to integrate gender into PFM systems (Combaz, 2013). For example, an academic study on 17 sub-Saharan African countries shows that the integration of sex-disaggregated indicators and targets in the performance assessment frameworks of budget support for education increased female enrolment (Inberg and Holvoet, 2013). However, all authors agree that sex-disaggregated data is often lacking or inadequate, especially at the levels of decentralized government.

2.3. Gender responsive Macroeconomic Policies

Macroeconomic policy deals with economic aggregates, typically without any reference to gender and is therefore often thought to be gender-neutral. But broad-based economic policies – such as fiscal, monetary or trade policies – have different impacts on women and men. Macroeconomic policy matters for gender equality because it shapes the overall economic environment for realizing women’s rights. It affects opportunities for paid employment and the demand for women’s unpaid labour as well as the number of resources available for policies to reduce inequalities.

Macroeconomic decisions may bring about economic crises with women and men bearing different costs due to negative shocks. The resources available to governments for implementing policies to advance gender equality and other social goals are not fixed. They are partly determined by macroeconomic policies, including tax policies, decisions over deficit spending and the management of debt. The policy stances adopted by many countries in recent decades – including tax cuts and trade liberalization – have tended to reduce public revenues relative to the size of the economy, meaning that fewer resources are available to finance government outlays.

Given the reduction in government revenues, efforts to control budget deficits have emphasized decreases in spending, with cuts often disproportionately affecting women (UN Women, 2015). For instance, there are concerns that tax policy is biased against women because it tends to increase the taxation of the poorest women while failing to generate enough revenue to fund the programmes needed to improve these women’s lives (Barnett and Grown, 2004). Revisiting the approach to macroeconomics so that it can support gender equality requires a fundamental change in policy priorities as well as the processes through which they are defined.

2.4. Gender, PFM and financing for gender equality

A key impetus behind enhancing gender responsive public finance management is to increase financing to fund initiatives geared towards gender equality. At the global discourse level, the principle of adequate financing for gender equality is rooted in paragraphs 345 and 346 of the 1995 Beijing Declaration and Platform of Action (BPfA). However, the Secretary General’s report on the twenty-year review and appraisal of the BPfA found that underinvestment in gender equality and women’s empowerment has contributed to slow and uneven progress in all 12 critical areas of concern.³

³ The 12 Critical Areas of Concern of the Beijing Platform for Action are women and poverty; education and training of women; women and health; violence against women; women and armed conflict; women and the economy; women in power and decision-making; insufficient mechanisms for the advancement of women; human rights of women; women and the media; women and the environment; and the girl-child.

Inadequate financing hinders the implementation of Gender responsive laws and policies. Data indicate that financing gaps are sometimes as high as 90 per cent with critical shortfalls in infrastructure, productive and economic sectors. The importance of rectifying the situation is highlighted in paragraph 20 of the universally agreed 2030 Agenda for Sustainable Development:

“We will work for a significant increase in investments to close the gender gap and strengthen support for institutions in relation to gender equality and the empowerment of women at the global, regional and national levels. All forms of discrimination and violence against women and girls will be eliminated, including through the engagement of men and boys. The systematic mainstreaming of a gender perspective in the implementation of the Agenda is crucial.”

The significance of adequate and appropriate finance was likewise emphasized at the Third International Conference on Financing for Development in July 2015 where states adopted the Addis Ababa Action Agenda. These countries committed to promote Gender Responsive Budgeting and tracking, and increasing the transparency of budgetary allocations. This commitment was further reaffirmed in the Outcome Document of the second High-level Meeting of the Global Partnership for Effective Development and Cooperation in Nairobi in 2016.

United Nations Member States in the process of domesticating the SDGs, and following the 2030 global SDG indicators, endorsed Indicator 5.c.1 at the 47th session of the UN Statistical Commission in March 2016. Indicator 5.c.1 requires countries to report on the “proportion of countries with systems to track and make public allocations for gender equality and women’s empowerment.”

In addition to Indicator 5.c.1, there are 11 SDG indicators related to public spending and two that concern tax revenue. Moreover, there are 14 indicators related to overseas development assistance. The other public spending indicators are defined in terms of the proportion of total government spending allocated to certain types of programmes, or in terms of the level of finance allocated to particular types of programmes. Arguably, some of the programmes are relevant

to gender equality and women’s empowerment, though one cannot assume that all the spending on such programmes benefits women and girls (Elson, 2017).

While it is relatively easy to identify budget allocations specifically targeted at women and girls i.e. in gender specific programmes/projects (e.g. funding for the provision of sanitary towels), gender mainstreaming activities such as activities for raising awareness of gender inequality, and capacity-building to address such inequalities (e.g. gender mainstreaming training workshops for public officials) account for only a small proportion of the total budget. It is therefore critical to conduct a gender analysis of the mainstream ‘general’ expenditure.

A starting point for gender analysis is to conduct a gender audit of the various programmes and activities. Sharp (2003) and Budlender and Hewitt (2003) propose that expenditures be classified into three categories:

- 1. Gender-specific expenditures** i.e. allocations to programmes that are targeted to issues affecting specific groups of women, men, boys or girls such as women’s health programmes, special education initiatives for girls, and employment policy initiatives for women
- 2. Equal employment opportunity expenditures for civil servants** such as programmes that promote equal representation of women in management and decision-making across all occupational sectors, as well as equitable pay and conditions of service, provision of crèche facilities, and paternal leave allowances
- 3. General or mainstream budget expenditures of government departments** which make goods or services available to the whole community. This analysis focuses on the differential impact of sectoral allocations on women and men, girls and boys, i.e., who are the beneficiaries of education services and health services?

However, the focus of GRB should not only be on allocations but also on actual expenditures reflecting the experience of several countries indicating that not all allocations are spent. Studies show that even if all allocations are spent, this does not guarantee a positive outcome for gender equality and women’s empowerment. Instead, positive outcomes depend on how the money is

spent, the outputs that are produced, and how far they help to reduce gender gaps.

Regarding the relationship between Indicator 8 of the Global Partnership for Effective Development Cooperation and SDG Indicator 5.c.1, UN Women's input serves as a useful contribution to the Metadata Compilation for SDG 5 (version submitted and received by the IAEG-

SDG as of 31 March 2016). UN Women's interim clarification of SDG Indicator 5.c.1 states that the indicator seeks to measure government efforts to track budget allocations and actual expenditures for gender equality.

The interim proposal suggests tighter criteria for determining whether a system is in place to track and make public allocations for gender equality and women's empowerment. A system will be considered in place if the country meets the following criteria:

1. Public Finance Management systems incorporate gender equality within a fiscal year by determining the following:
 - i. Are there guidelines such as call circulars or directives that provide guidance on Gender responsive budget allocations?
 - ii. Do sectoral budgets allocate resources to programmes to promote gender equality and women's empowerment?
 - iii. Is there a gender budget statement?
 - iv. Has an ex ante gender impact assessment of the budget allocation been conducted?
 - v. Has an assessment been conducted regarding how budget allocations were spent?
2. Allocations and expenditures for gender equality are considered public when they are available in a timely and accessible manner through official government publications and channels including ministry websites, official bulletins and public notices.

2.5. Gender Responsive Budgeting in other countries

Given the relatively nascent stage of gender and PFM in Ethiopia, and the scope of this study, a quantitative analysis of the impact of gender inequality on the national economy was not possible. Moreover, the literature review reveals that a vast amount of work is not available on either the impact of gender inequality on economic growth (though this is increasing in recent times) or the impact of GRB on gender inequality. Two studies i.e. "Implications of gender inequality in Morocco for growth" and "**the Influence of Gender Budgeting in Indian States on Gender Inequality and Fiscal Spending**" were clear and exceptions are reviewed below in detail for this report and should pave the way for future quantitative studies of Ethiopia. The results of these two studies hold important lessons for the current gender and PFM study in Ethiopia.

2.5.1. Morocco: Implications of gender inequality for growth

This study quantifies the effect of gender inequality in Morocco on growth compared to groups of faster growing countries.⁴ The study estimates income losses due to low female labour force participation. The results highlight that addressing overall gender gaps would help Morocco close its GDP per capita gap with benchmark countries in other regions by up to one percentage point. Simulations also show that gradually closing gender gaps in the labour force participation rate could lead to significant income gains over the long term.

2.5.1.1. Morocco and gender inequality

Based on the United Nations Gender Inequality Index, Morocco ranked 117th out of 155 countries. This ranking is below other countries in the same region such as Tunisia (48), Algeria (85) and Jordan (102). Much progress has been made in closing gender gaps in education enrolment but challenges remain, particularly in rural areas.

Gender gaps in the Moroccan labour market are particularly large. The rate of women's participation in the labour force is 25 per cent. While this participation rate is average for the MENA oil

4 Vincent Dadam, Lisa Kolovich, and Anta Ndoye (2017), IMF Country Report No. 17/65.

importer region, it lags behind other countries at a similar income level. There are also some gender disparities in employment rates, especially for educated and young women. While the rate of unemployment is only slightly higher for women than for men, and similar for youth, educated women have a much higher unemployment rate than their educated male counterparts.

2.5.1.2. Study Methodology

Two different empirical approaches are used in the Morocco study to assess the impact of gender gaps on the economy. The first approach is to decompose the differences in average real GDP per capita growth rates in Morocco and in benchmark groups that can be explained by gender gaps between Morocco and these groups. The second approach is a general equilibrium occupational choice model to quantify potential GDP losses due to the misallocation of women in the labour force. A growth regression approach helps quantify the effect of gender inequality in Morocco, compared to groups of faster growing countries. The researchers estimated the impact of gender inequality on growth, while controlling for the impact of variables such as initial income, investment, education, infrastructure, terms of trade, and institutional quality on growth. The researchers estimated the following equation: $y_i = \beta_1 + \beta_2 X_i + \epsilon_i$ in which y_i is GDP per capita, X_i captures explanatory variables above and ϵ_i is the error term. A robust two-step GMM methodology allows us to control for endogeneity issues.

2.5.1.3. Results of the Morocco study

2.5.1.3.1. Impact of gender inequality on growth

Consistent with previous studies, the results show that gender inequality has a negative impact on growth and that this impact is more striking for countries at the early stage of development. However, when the model includes gender and income inequalities, gender inequality appears to negatively impact growth for lower income countries only, including Morocco. One plausible explanation is that gender inequality at the early stage of development is high but this effect tends to decrease as the economy grows. In other words, different countries might exhibit varying levels of gender inequality because they are at different

stage of development (e.g., reverse causality). **The key finding was that Morocco's real GDP per capita growth could significantly benefit from lowering gender inequality.**

2.5.1.3.2. Female labour force participation and growth

An occupational choice model is used to quantify the current income losses due to misallocations of women in the labour force. In particular, the authors used the general equilibrium occupational choice model in which agents are endowed with a random entrepreneurship skill that determines their optimal occupation. Agents choose to work as either employers, self-employed, or employees. **However, female labour market frictions prevent an optimal choice of women between these activities. The results show that Morocco is currently losing out on a significant share of income due to gender gaps in the labour market.** The costs associated with gender gaps in labour force participation and entrepreneurship are currently as high as 46 percent of income per capita compared to a situation where women have the same level of labour force and entrepreneurship participation as men. Reducing gender gaps would also help offset the impact of the demographic transition on growth.

In response to these gender gaps, Morocco has implemented the following policies to improve gender equality:

1. **Legal framework.** There are several laws in Morocco that promote gender equality, including the (revised) Labour Code (2004); the 2011 Constitution, which provides for equality of Moroccan citizens; and the family code, which was revised in 2004 with a view to expanding the rights of women in areas such as guardianship, marriage, child custody, and access to divorce.
2. **Gender budgeting.** Morocco is notable for having the first and most developed gender budgeting initiative in the Middle East and Central Asia region.
3. **Maternity leave and protection.** Morocco increased maternity leave in 2004. It now offers 14 weeks of maternity leave at 100 per cent of a woman's wages, payable from a national social security fund, thereby meeting the ILO standards on duration of maternity leave.

To change the negative impact of gender inequality on growth, Morocco should act on the following:

Legal restrictions. Providing for equality in inheritance rights can create opportunities for women to own housing or land (World Bank, 2015) and lead to smaller gender gaps in labour force participation (Gonzales et al, 2015a).

Paternity leave. Increasing paternity leave, which is currently one of the lowest in the world (three days) could contribute to gender equality at work and intra household equality.

Infrastructure. Safe public transportation and improved road accessibility would decrease women's travel time and therefore reduce the costs related to work and going to school outside the home (World Bank, 2016).

Gender budgeting. Morocco could enhance the oversight, audit, and monitoring of its gender budgeting efforts, as there is currently no comprehensive system in place for monitoring or evaluation.

Remove gender discriminatory tax practices. There are several areas where Morocco has discriminatory tax policies (World Bank, 2015). Morocco is one of 17 (out of 189) countries that has tax deductions or credits specific to men. A male taxpayer can claim a dependent deduction for both his spouse and children, but unless a female taxpayer can prove that she is a legal guardian, she may not claim the same deduction.

2.5.2. India

2.5.2.1. The Influence of Gender Budgeting in Indian States on Gender Inequality and Fiscal Spending

The study starts off by stating that variables and gender budgeting is one of the impacts of Gender Responsive Budgeting. There are numerous studies on the effectiveness of gender budgeting in India but not one is quantitative.

Studies on States in India with gender budgeting as against those without: Compared gender budgeting states to non-gender budgeting states

The authors used different indicators of gender inequality such as (i) school enrolment inequality and (ii) women's labour force participation

compared to men's participation. The first model examines the effect of gender budgeting on gender equality indicators (education and labour force participation), and the second looks at the effect of gender budgeting on fiscal spending variables.

2.5.2.2. Findings of the Study

On equality in education enrolment

- States with gender budgeting have made more progress with gender equality in primary school enrolment
- Gender budgeting is positive and significant for primary school enrolment equality, suggesting a positive role for gender budgeting in improving gender equality in this regard.

On fiscal spending

- The implications of gender budgeting for fiscal spending are ambiguous.
- **The study did not observe an effect of gender budgeting on fiscal spending but there is a positive impact on infrastructure spending.** This observation suggests that gender budgeting in Indian states has had an expansive effect on infrastructure spending. This result is consistent with the results of the more qualitative studies which suggested that **infrastructure was an important concern of women, especially when related to clean water and sanitary facilities as well as providing safer means to travel.**

General

Higher incomes and a stronger revenue base both support higher spending. In this study, higher income does not necessarily lead to greater gender equality in enrolment, suggesting the importance of governments undertaking specific programmes to address gender equality, beyond solely expecting that as income rises, gender equality necessarily increases as well.

2.6. Mainstreaming gender in PFM and improving the economy

Premise I: Gender budgeting initiatives = a means to achieve **gender equality** and promote women

Premise II: The link between **gender equality** and **improved economic efficiency and productivity** is well established (see World Bank (2011) and Duflo

(2012) for comprehensive surveys of the relevant literature)

Conclusion: Gender budgeting is good for improved economic efficiency and productivity

Because: Gender budgeting can indirectly contribute to stronger and more inclusive or equitable economic growth via its influence on fiscal policies.

2.7. Challenges in quantitative assessments of GRB

Although international gender budgeting initiatives date back several decades, there has been little effort to assess the results of these efforts in a quantitative manner (Stotsky and Zaman, 2016). The World Bank (2011, Box 0.1, p. 49) highlights the difficulties in empirically assessing the causal relationship between gender inequality and growth. For instance, improvements in technology that lead to growth and emphasize cognitive skills in the workplace may create more opportunities for women in the workforce, given their relatively higher achievement in education in many countries in recent years. However, better public services accompanying growth may improve gender equality in education. Moreover, there are factors like improvement in health care that may independently influence both growth and gender inequality.

The empirical results are broadly supportive of a positive role for gender budgeting in addressing gender inequality and reinforce the conclusion that some Indian states have put in place meaningful gender budgeting initiatives. However, further study, with more disaggregated fiscal and household level data, would be beneficial.

2.8. Gender mainstreaming makes good economic sense

2.8.1. AfDB Africa Gender Equality Index

Data from around the world show that economic growth is higher and poverty rate lower in countries with better gender equality status. Of course, simple statistical correlation alone cannot show a causal relationship between gender equality and growth but there are good reasons to believe that gender equality contributes to growth and

poverty reduction. With increased gender equality, women enjoy higher levels of human capital, more employment and entrepreneurship, increased access to productive assets and resources, and increased rights and participation as citizens. These are all factors that can have a profound effect on women's potential to contribute productively to the economy.

2.8.2. Why gender mainstreaming makes economic sense

“We believe that gender equality is not just intrinsically important, but is also key to achieving inclusive growth and resilient societies” (AfDB Africa gender equality index, 2015).”

Eliminating gender inequalities can lead to faster economic growth, increased female labour participation and better health outcomes for women and children (IMF and DFID, 2010). The 2010 World Bank World Development Report focused on ‘gender equality and development’ pointing to a strong correlation between gender equality and development outcomes. Countries that create better opportunities for women and girls often experience increased productivity, improved outcomes for children and more development prospects for everyone. The main conclusion of the report is that “Gender equality is at the heart of development. It’s the right development objective, and it’s smart economic policy.”

Women in Africa are critical to the transformation of the continent but they face significant obstacles to their full contribution. The price of these constraints is paid not only by women but by the entire society.

2.9. Gender and PFM approaches used by different countries

Gender budgeting efforts have taken a variety of forms and differed in emphasis on policy and administrative aspects across countries. Below is a summary of approaches used in Tanzania, Rwanda, and Morocco.

Guidance on effective approaches

The effectiveness of any effort to integrate gender into PFM hinges on the following enabling factors: securing the known enabling factors; tailoring to specific contexts; involving a range of stakeholders at all stages; and generating sex-disaggregated

data. Another cross-cutting recommendation widely made in the literature is for a range of stakeholders to discuss, participate in and decide on issues, methods and implementation at all stages (Austrian Development Cooperation, 2009, p. 7). The availability of sex-disaggregated data is also crucial for all approaches and tools that seek to integrate gender into PFM systems (Combaz, 2013).

Sharp (2003) identifies the following three – typically sequential – phases of a GRB initiative:

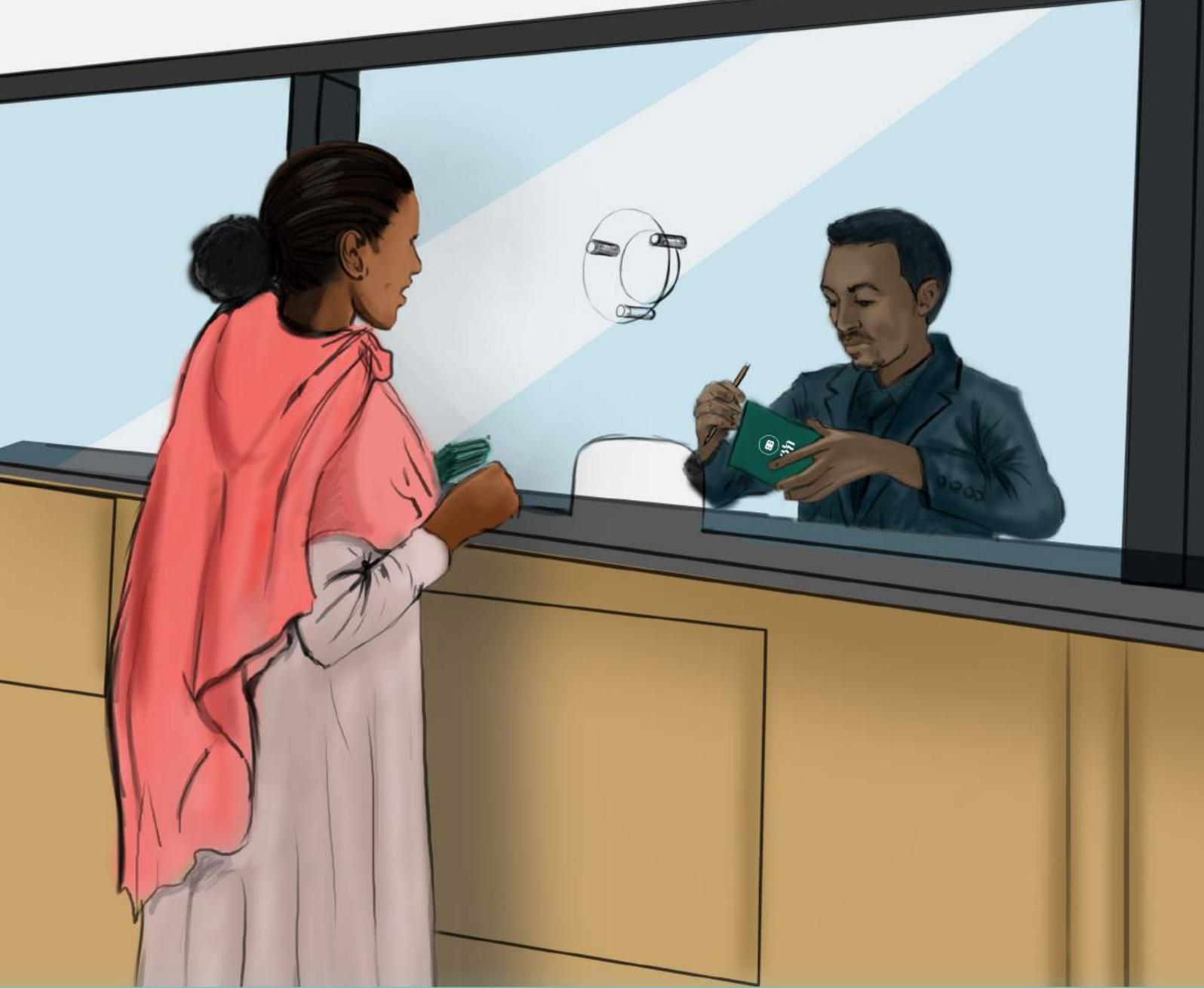
Awareness: the key objective of this initial phase is to make gender disparities more visible. Access to sex-disaggregated data is vital to gender-specific analyses of revenues and expenditures in budgets. These phases also include building the capacity and sensibility of key stakeholders. The involvement of civil society is essential in raising awareness.

Accountability: this phase usually extends GRB initiatives from the initial one-off analysis of budget allocations to cover the entire budget cycle. This typically involves securing the accountability of government agencies for GRB, which may lead to some form of institutional changes. Consequently, objectives evolve from information about gender inequalities in budget allocations, to the generation of a sense of accountability for gender equality objectives.

Change (Action): this phase is the ultimate objective of GRB initiatives and implies changing government budgets and policies. This necessitates the introduction of additional tools and methods in relation to monitoring and evaluating the impact of the change in allocations. Very few documented examples of GRB initiatives have progressed to this third phase.

Table 1:
Summary of country approaches

Tanzania	Rwanda	Morocco
Created awareness and influenced the budget through increasing budgetary allocations	Embedded within the PFM reforms	Preparation of handbook and sensitization materials; issuance of budget guidelines; and institutionalization of Gender Report in 2006
GRB incorporated into budget guidelines	Oversight demands accountability on GRB	Capacity-building; development of gendered indicators; development of knowledge management system (website and special issue).
Gender mainstreaming made a priority for resource allocation	Aligned to the budget process	Ensuring gender budgeting in its legal framework; a 2014 finance law requires that (i) gender equality be considered when defining performance objectives, results, and indicators in all line budgets and (ii) the law dictates that the Gender Report be included as part of each year-end report



3

KEY FINDINGS

Section Three presents the findings of this current study as obtained from the various tools of data collection: the PFM inception workshop, and bilateral meetings and discussions with key government stakeholders as well as development partners.

The inception workshop had three groups in which participants worked on (i) existing tools or guidelines; (ii) identification of stakeholders (institutions); and (iii) identification of existing capacity gaps. For each of these areas of work, participants were expected to focus on the five key components of PFM: budget preparation, budget implementation, budget approval through parliament, reporting, and revenue generation.

The group that worked on existing tools and guidelines provided information for all five components of the PFM process. The group that worked on the identification of stakeholders and capacity gaps likewise provided information on all five components of the PFM. All three groups also offered additional comments in the form of guidance regarding the gender gap analysis of the PFM system. Each group indicated existing opportunities that can serve as entry points for Gender responsive PFM.

3.1. Planning

Established in 2013, the National Planning Commission (NPC) is mandated to provide leadership and guidance on planning and development priorities.⁵ The NPC develops the national plan, currently the second Growth and Transformation Plan.⁶ Once the macroeconomic framework and targets are formulated, in this case the GTP II targets, the Commission provides a generic guideline for each cluster.⁷ Each cluster prepares their line ministry's plan by mainstreaming regional and global goals and then submits it to the Commission. To this effect, the Commission is engaged in short-, medium- and long-term

planning which sets the development priorities of the country.

The integration of gender into national development plan preparation rests both on the National Planning Commission and line ministries, among others. Line ministries play a role in integrating gender into their sector plans on a five-year basis and sub-divided into yearly plans. Indeed, workshop and bilateral consultation participants cited the opportunity to establish Gender Directorates in every line ministry. Having been mandated to mainstream gender in their sector ministries, the Gender Directorates can ensure that gender is mainstreamed in their sector plans.

Unfortunately, the Gender Directorate of the National Planning Commission is not yet adequately resourced. The Directorate, therefore, has limited capacity to make critical inputs to mainstream gender in national development plans. It has yet to customize gender-mainstreaming guidelines pertinent to the Commission's mandate. In the interim, the NPC established the Women and Youth committee to ensure the mainstreaming of gender in sector plans. This committee is comprised of experts from key directorates of the Commission, along with the Gender Directorate.

Bilateral consultation held with members of the committee indicates that they look for the integration of gender into sector plans and performance reports. In the Commission's view, the fact that sector plans must be aligned with GTP II, and SDG gender targets and indicators, obliges sector ministries to plan in a Gender responsive manner. The challenge, however, is in translating sector plans into action plans and reporting in a Gender responsive manner.⁸ Gender remains inadequately reflected, therefore, in sector performance reports.

During this assessment, it was observed that significant efforts were made to mainstream gender in planning by most sectors.⁹ Given that there are gender indicators and targets set in GTP II, compliance is also vital. As per the report of the Ministry of Urban Development and Housing official,

5 The NPC was set up by the Council of Ministers under regulation number 281/2013.

6 (GTP II) is the medium-term plan prepared for the period of 2015/16-2019/20. It is built on sectoral policies, strategies and programmes.

7 The clusters include the following: macroeconomic cluster, finance and economic cluster, good governance cluster, civil service reform cluster, and the social issues cluster.

8 Interview with Mara Endale, the M&E expert, on the Women and Youth committee.

9 The sectors covered in the study are GTP pro-poor focused and heavily resourced.

“gender is part and parcel of our planning.”¹⁰ This Ministry reported that it has developed a Business Score Card (BSC) to evaluate the gender sensitivity and responsiveness of each department in the Ministry. Accordingly, all Ministry departments were expected to report on gender issues; failure to do so affected their evaluation scores. The strategy to ensure the integration of gender, along with putting into place an accountability system, are considered best practices for other ministries.

An attempt has also been made to make planning and physical reporting Gender responsive in the Job Creation and Food Security Agency under the Ministry of Urban Development and Housing. As per the planning officer, gender is one variable in their planning checklist hence the inclusion of gender in the Agency’s department plans. Gender equality targets were also set. For instance, the Agency had intended to target 55 per cent of job creation opportunities for women though the actual result was 41 per cent. 45 per cent of governmental support in terms of the provision of land, training, and financing has targeted women with an achievement rate of four per cent. High staff turnover in the Agency during restructuring has, however, slowed down gender equality interventions as well as the allocation of budget to the department.¹¹

The discussion held with the Ministry of Agriculture and Natural Resources (MoANR) also highlighted the physical plan of the sector in a Gender responsive manner, including the GTP II results framework and the strategic objectives of the sector. The Ministry further gathers gender-disaggregated data on other variables, such as female-headed households, male-headed households and married women, which was not the case before. The Ministry indicated that the GRB Manual, developed by MoFEC, is used for gender mainstreaming in planning and budgeting. The sector’s customized gender-mainstreaming guideline has further informed their plan. The major challenges identified relate to limited capacity, especially regarding gender mainstreaming, and the availability of practical tools.

The Ministry of Women and Children Affairs (MoWCA) cautions that a capacity gap limits gender awareness. This capacity gap was further echoed during the PFM inception and consultative workshop. Since planning is not usually informed by sector-specific gender situation analysis, the underlying gender issues might not be adequately captured. Other challenges include gaps in the availability of gender-disaggregated data and a lack of consistency in the planning and integration of gender into annual planning and budgeting. Below is an outline of key issues and suggested responses to ensure a Gender responsive PFM system.

Table 2:
Key issues in planning to ensure Gender responsive plans

Stakeholders	Opportunities	Challenges/Gaps	Tools/ Guidelines
National Planning Commission and sector ministries	Annual review meetings Setting up Gender Directorate in all sector ministries	Information gap (situational analysis, rural vs urban): collection of data across regional and federal levels and lack of gender analysis	Customized gender mainstreaming guidelines GRB Manual
	Women and Children Standing Committee in the parliament.	Capacity gap (baseline): failure to understand the problems	
		Limited availability of sex disaggregated data	
		Gender-sensitive gap indicators are not comprehensive	
		Limited expertise in addressing women’s issues	
Inconsistency in planning and integration of gender into annual budgetary planning			

¹⁰ FGD with the Ministry of Urban Development and Housing.

¹¹ It should be noted that the new gender director recruited for the agency intends to create gender mainstreaming guidelines.

3.2. Budget preparation

Given that the budget process is central to public finance management, the Ministry of Finance and Economic Cooperation (MoFEC) is one of the major actors in the PFM process. MoFEC is mandated to coordinate and allocate the national budget as part of its effort to oversee the overall economic development of Ethiopia. Apart from the Ministry, the stakeholders involved in budget preparation include budgetary institutions, sector ministries, regional bureaus and offices, the Council of Ministers, parliament, and various development partners.

As the team leader of the Fiscal Policy Directorate explained, every year MoFEC revises the five-year Macro Economic Fiscal Framework (MEFF) by considering the current priorities of the Ethiopian government. Hence, the sectors' five-year resource allocation is based on the rolling MEFF. Unfortunately, MEFF is not informed by sex-disaggregated and gender-related data, as stated by the team leader.¹² One reason highlighted was the limited data disaggregated by sex regarding most economic variables. According to the team leader: "We don't have the culture to disaggregate economic data by gender."

As part of the yearly budget preparation process, MoFEC sends a budget call to all line ministries and budgetary institutions¹³ after preparing the Macro Economic Fiscal Framework and identifying the resource envelope. Budgetary institutions prepare their projected costs in accordance with the ceiling set and submit these to MoFEC. MoFEC, through its Gender Directorate, verifies the proper integration of gender, among other things, and sends it back with comments and recommendations.¹⁴ To follow up, a budget hearing will then be organized at the MoFEC level.¹⁵ In the words of the Gender Directorate, "the budget hearing is the biggest opportunity we have to ensure whether gender is properly integrated

into the sectors' plans and budgets."¹⁶ The Revised budget of the sectors are then to be sent to the Council of Ministers and later to parliament for review and approval.

There are various entry points and opportunities that MoFEC can capitalize on to mainstream gender in the programme budget. These range from the budget call, an article on gender, to a budget hearing that allows the Gender Directorate to attend and provide input. As per the Gender Directorate, there has been significant change over the years in integrating gender into budget preparation which the Directorate attributes to the GRB Manual, the revised financial administration proclamation (970/2008)¹⁷ that includes gender, and the institutional training provided on programme budgeting where GRB is a key component.

It is recalled that a GRB manual was prepared and distributed to all ministries of the Gender Directorate of the MoFED with the support of UN Women and EC. The manual is currently used as a guidance tool for the integration of gender into planning and programme budgeting.

Ideally, sectors are guided by GRB while developing their budgets. Both MoFED staff and budgetary institutions have been trained in GRB. The added value of GRB is that it leads to discussion on Gender Responsive Budgeting at all levels.

One of the initiatives taken to create financial transparency and accountability is the budget literacy programme, a part of budget preparation and planning. During the consultation, it was noted that the Financial Transparency and Accountability (FTA) team in MoFEC provides training of trainers (ToT) at various levels in the regions. In turn, participants train citizens on budget literacy. The key objective is to increase citizen understanding of the national budget process and eventually enhance public participation.

The desk review carried out for this study shows that women were targeted for the budget literacy trainings up to *Woreda* level. There is also sex-disaggregated data available for the FTA programme which gauges the inclusion of women.

12 Interview with Frehiwot Handamo, Team Leader, Fiscal Policy Directorate.

13 There are about 180 budgetary institutions in the country.

14 Focus will be given to pro-poor sectors and sectors with huge financial allocations.

15 The management of budgetary institutions (ministers and state ministers) and MoFEC attend the hearing which is chaired by the Minister. Interestingly, out of the 25 departments in MOFEC, only 5 attended the budget hearing of which one was the Gender Directorate.

16 Interview with Ms. Neteru Wondwosen, Director, Gender Directorate, MoFEC.

17 The revised proclamation demands that gender issues should be considered during public budget preparation.

In 2016, budget literacy trainings were delivered to a total of 249,035 citizens. This increased female participation from 35 per cent to 40.17 per cent. While the highest participation of women was registered in Addis Ababa at 58 per cent, the lowest level of participation was registered in Afar and Harari at 32 per cent for both. Despite women's participation, the added value in shaping the budget to reflect the needs and priorities of women remains to be documented.

Table 3:
Key issues in budget preparation to ensure Gender responsive budgets

Stakeholders	Opportunities	Challenges/gaps	Tools/ guidelines
MoFEC	Public finance proclamation amendment demands GRB from every sector	High turnover of trained staff	GRB Manual
Sector ministries and institutions, regional bureaus and offices	Institutional training: budget refreshment course (half day allocated for briefing on GRB with follow-up exercises on GRB mainstreamed in the Programme Budgeting training	Lack of ownership due to GRB being viewed as an extra task	Revised financial proclamation
		Lack of awareness of GRB	
Council of Ministers Parliament	Political will Budget call that reminds every sector to be gender-sensitive Budget hearing conducted by high officials (budget presentation and responses to questions asked by MPs) Revision of budget by Council of Ministers	Lack of technical skills to mainstream gender	
		Weak accountability system (GRB not institutionalized as a requirement)	

3.3. Revenue generation

Government revenue comes from both internal and external sources. While the internal domestic revenue is largely from tax and non-tax sources, external resources include loans and assistance from development partners. This revenue shapes government spending on the implementation of policies and programmes.

The discussion with the fiscal policy directorate of MoFEC indicated that gender is rarely considered in either the development of fiscal policy in general or in domestic revenue generation. As stated earlier, the macroeconomic fiscal framework,¹⁸ including the resource envelope, does not have a gender variable. Moreover, it is not informed by

either sex-disaggregated or gender-related data. Consequently, there is limited, if any, consideration given to the different needs of women and men in planning resource allocation.

A simple example relates to government spending and youth unemployment. Greater resources were allocated to youth but without consideration of gender despite evidence of a gender gap. The Central Statistics Agency's (CSA) 2016 survey clearly indicated (also cited in GTP II), that the rate of unemployment was 24.7 per cent for females and 9.4 per cent for males. In addition to the gender disparity in youth unemployment, the findings indicate that resource allocation did not account for gender. Consequently, no effort was made to address gender inequality in employment opportunities. This failure meant that the most disadvantaged, in this case women,

¹⁸ Government expenditure, revenue, import/export, investment and savings are the variables in the MEFF.

did not benefit from the government’s youth fund. The budget allocation was instead made on a lump-sum basis.

Furthermore, the consultation notes that MoFEC collaborates with CSA in generating data on economic and socioeconomic variables. MoFEC, however, is the main ministry that produces data on some of the PFM components, including revenue generation and expenditure. In most cases, the statistics produced by CSA are sex-disaggregated whereas the data produced by MoFEC are not. It is worth noting that sex-disaggregated data are vital for gender-specific analysis of revenues and expenditures in budgets. Certainly, in the absence of such information, it is difficult to engender the public finance management system.

The study also found out that while there is no written fiscal policy in Ethiopia¹⁹, there are proclamations, regulations and directives on revenues such as on VAT, income tax, customs and duty. A proclamation is a document indicating government direction regarding fiscal policy and is endorsed by parliament. Regulations and directives are developed by respective ministries following the direction provided by a proclamation. Nevertheless, the integration of gender into any of the revenue

policies remains elusive. In accordance with the Tax Policy

Directorate, the “government tax principle is neutrality in general.” There are cases

where gender issues are taken into account during the implementation of tax policy. A case in point is the exemption of tax payment by domestic workers who are typically women. The head of the Tax Policy Directorate further indicated that while current tax policies are not Gender responsive, there is a plan for them to become so in the future.

Bilateral consultation with DFID indicated that the distributional effects of tax policies are not yet studied in Ethiopia. However, empirical evidence shows that women are disproportionately affected by VAT and other indirect tax policies. Therefore, mainstreaming a gender perspective into general tax policy analysis can significantly improve the quality of public policy.

Regarding tools and guidelines, workshop participants further noted that there is a generic taxation policy; however, it is not specific to gender. Therefore, a Gender responsive guideline and tools on revenue generation to increase Gender responsiveness were recommended for development.

Table 4:
Key issues for a Gender responsive generation of revenue

Stakeholders	Opportunities	Challenges/Gaps	Tools/ Guidelines
Federal and regional revenue and customs authorities MoFEC	Donor interest in gender issues MoFEC’s draft gender mainstreaming guideline which captures Gender responsive resource mobilization and improved awareness of gender issues	Lack of gender- disaggregated revenue generation system	MoFEC’s draft gender mainstreaming checklist
Regional governments		Lack of research and data, lack of coordinators of gender actors in resource mobilization	
Development partners Civil society		Lack of coordination among the international partners	

¹⁹ Interview with Firehiwot Hadamo, Team Leader, Fiscal Policy Directorate.

3.4. Budget Approval

National development plans and budgets go through parliamentary scrutiny prior approval. In view of their oversight role, efforts have been made by MoFEC to train parliamentarians on Gender Responsive Budgeting.

Discussions with the MoFEC Gender Directorate revealed that limited GRB training opportunities were given in the past to the Women and Children Standing Committee and the Budget and Finance Standing Committees due to resource limitations. The fact that gender is not addressed in the other 16 parliamentary standing committees, apart from the two above, is also among the gaps identified. It was learned that there is no tailor-made tool or checklist for parliamentarians to help them review budgets in a Gender responsive manner. As a way forward, regularizing GRB trainings and developing a tool for parliamentarians were proposed by participants.

Although parliament was not approached for this study, the various consultations underscored that a proper scrutiny of sector plans and budgets is carried out by the parliament, notably by the Women and Children Standing Committee and the Budget and Finance Standing Committee. As MoWCA experts stated emphatically during the bilateral consultation, the budget will not be approved if gender is not considered.

The consultative workshop further indicated that there is a self-accounting system where parliament can closely assess each ministry as to whether their work is done in a Gender responsive manner. It was further noted that the Women and Children Standing Committee, the Budget and Finance Standing Committee and the other 16 standing committee review the plans.

Table 5:
Key issues in budget approval

Stakeholders	Opportunities	Challenges/gaps	Tools and guidelines
18 standing committees in the parliament	Availability of Women and Children Standing Committee	Lack of gender mainstreaming in the parliamentary standing committees	GRB Manual
	Finance and Budget Standing Committee		
House of Federation	GRB awareness of the above committees and subsequent gender scrutiny prior to approval	Inadequate training on GRB	
Council of ministers			

3.5. Budget Implementation

Once the budget is approved by parliament, it is the role of public bodies and budgetary institutions to translate their plans into actions. MoWCA, Gender Directorates, line ministries and the Bureau of Women and Children Affairs all play a central role in implementing Gender responsive policies and other gender equality commitments. The extent to which the government is living up to its own expectations in the implementation of various gender equality commitments in the allocation of adequate resources could be difficult to track in the absence of gender analysis of budgets. Therefore, unpacking the gender mainstreamed budget allocations and expenditure is vital to identifying which portion of the budget goes towards ensuring gender equality and women's empowerment. Women's machineries typically suffer from inadequate financial resources to meet targets.

The major challenge identified during budget implementation is the lack of gender perspective in sectors' action and activity plans. If a gender perspective is not captured in plans then it will not be included in monitoring and evaluation processes. There is a lack of awareness and sensitivity on gender in the general conduct of monitoring and evaluation. It is worth noting that there is a national M&E framework that is developed by the Planning Commission. This study underscores the need to mainstream gender in the M&E framework as soon as possible.

Notwithstanding the available tools and guidelines, and the efforts made so far by MoFEC in pushing public bodies to integrate gender into their budgets, Gender responsive budget preparation and implementation remains incomplete. Some of the challenges identified include the following: limited GRB awareness, skills and related existing tools; a weak accountability system and ownership of GRB (which is an extra task and added responsibility); high turnover of trained staff; and limited institutional training on Gender responsive programme budgeting.

Some of the institutions engaged in this consultation stated that the budget template limits them from incorporating gender into reporting as it is not included in the guideline that MoFEC sends out to sectoral ministries for preparing the budget. Financial reporting templates for instance are not sex-disaggregated. Workshop participants also reported that expenditures are not reviewed from a gender perspective although it was also noted that MoFEC, with support of UN Women, intends to undertake budget tracking.

Consequently, at the inception workshop stakeholders advised on the preparation of standard and consistent directives and guidelines in relation to GRB along with the necessary follow-up. They suggested the development of an accountability system that also identify the non-compliance cases.

Table 6:
Key issues in Gender responsive budget implementation

Stakeholders	Opportunities	Challenges/Gaps	Tools/Guidelines
Sector ministries and institutions	Monitoring and support provided by sector Gender Directorates	Expenditures are not reviewed from gender perspective based on commitments made Gender is left to the Women and Children	GRB Manual
Regional bureaus and offices	Rising number of women in parliament (38.8 per cent of whom 7 are chairs and 8 are vice-chairs of standing committees)	Affairs Standing Committee in the parliament and there is lack of gender mainstreaming in other committees.	
Development partners		Limited GRB skill	
		Weak accountability system and sense of ownership	
		High turnover of trained staff	

3.6. Auditing

Auditing is another key component of the PFM system. The Office of the Federal Auditor General Ethiopia (OFAG) audits 165 public bodies, guided by audit manual and guideline and international standards. The bilateral consultation underscores that gender issues are neither reflected in the audit guidelines nor in the reporting template and so are not reported on.

While there is full OFAG compliance regarding a regulatory audit, there is limited capacity to carry out a performance audit. As it stands, the OFAG conducts 18 new performance audits each year. A team of experts in the OFAG defines the issues for review in a performance audit where issues that are sensitive to the public are also prioritized.

Despite a past attempt to carry out a performance audit on gender issues, they have yet to be adequately covered.²⁰ Consequently, the parliament requested OFAG to conduct a gender-focused performance audit that takes into account women’s participation and benefit. Such an audit would present an opportunity to bring gender issues in the forefront.

In view of the importance for a reliable audit, the OFAG has recently set up a training institute to build the capacity of its auditors. Existing training

manuals on regularity, performance and IT audits are therefore being updated. With the financial and technical support of DFID, the development of these materials will be followed by training delivery.

The consultations revealed that a gender audit is one component of the training the Institute intends to provide as part of its advanced courses, once the basic courses are provided. Whereas the basic training courses are mandatory, gender auditing and other advanced courses are not. According to the training experts, the basis for developing the curriculum of the gender audit training curriculum has been the ILO gender audit. However, the office needs support in developing the training manual.

During the time of reporting, the curricula for some courses were in the final stages of development; consequently, internal and external trainers are currently being recruited. The Institute indicated the need for support and collaboration with UN Women on the gender audit course material development as well as a trainer to train gender auditors. For medium-long term plan, the institute intends to equip auditors and relevant government staff in auditing.

Going forward, OFAG staff emphasized the need for gender training and a gender-sensitive revision of the audit template.

Table 7:
Key issues for a Gender responsive audit system

Stakeholders	Opportunities	Challenges/Gaps	Tools/ Guidelines
The Office of the Federal Auditor General Ethiopia (OFAG)	The existence of Gender Directorate within OFAG	Lack of gender awareness of staff and customized gender mainstreaming guidelines for audits	
	The inclusion of gender in the institute’s training curriculum	Lack of gender-blind audit manual as well as reporting template is also among impediments for a Gender responsive auditing	
	Parliament’s interest in auditing gender issues		

²⁰ This past attempt focused only on university students and crop extension programmes, as informed by the Gender Directorate of OFAG.

3.7. Capacity building for Gender responsive PFM

Capacity of key stakeholders is central to a Gender responsive PFM. The capacity gap in mainstreaming gender within PFM is among the key challenges raised in the consultative workshop as well as in bilateral consultations.

The Centre for Public Finance Management Training and consultancies at Civil Service University have been central in building the capacity of civil servants in PFM. Established in October 2015, the Centre works in close collaboration with MoFEC, the Public Procurement and Property Agency (PPPA), and the Ethiopian Revenues and Customs Authority.

In accordance with an agreement with MoFEC, the Centre provides trainings four times a year.²¹ To date, three of the trainings were given for 1,300 civil servants. Training is provided based on a needs assessment. Follow-up trainings are also provided on the same basis. As the Centre’s director notes,

PFM-related trainings will be provided in the next four to five years.

As per the agreement made with MoFEC, the Centre provides training on programme budgeting for 10 days where GRB is not only given as a session but is also integrated into all stages of the programme budgeting course for planners and budget practitioners. GRB is provided in collaboration with the Civil Service University for nearly all budgetary institutions. Furthermore, the gender department of the university provides short-term trainings on gender and PFM. The long-term PFM training at a Masters level also includes gender.

As a way forward, participants suggested revising and strengthening the training curriculum to ensure GRB is well mainstreamed. Given the fact that the programme budget manual did not adequately integrate gender, feedback indicated that the manual should be revised to reflect proper gender mainstreaming.

Table 8:
Tools and Guidelines

Components	Guidelines/proclamation	Any comments
Planning	Gender mainstreaming guidelines of sector ministries Gender checklists of the Planning Commission GTP II	Among the sampled ministries, Ministry of Agriculture and Natural resources and Ministry of Urban Development and Housing have gender mainstreaming for planning processes as well as implementation and M&E. MoAN is in the process of updating its gender mainstreaming guideline. The Urban Job Creation and Food Security Agency has yet to develop one.
Budget preparation	Revised Financial Administration Proclamation (970/2016) Article 20, sub-article 3.	While the previous Financial Administration Proclamation (970/2008) did not take gender issues into account, the revised proclamation has explicitly stipulated that “gender issues shall be taken into consideration during public budget preparation.” However, there has not been any accountability mechanism put in place for non-compliance.
Revenue generation	VAT Proclamation 285/2002 Federal Income Tax Proclamation 979/2016	VAT Proclamation 285/2002 stipulates that issues of the imposition of tax and transactions are exempted from tax; collection enforcement; calculation of tax payable, among others. The policy, however is gender-blind in terms of explicitly stating and addressing gender issues in any of the components. Federal Income Tax Proclamation 979/2016 does not have any gender provision.
Approval		NA
Budget implementation	The then MoFED’s GRB manual	Used by majority of the sectors
Auditing	The OFAG standard audit templates	Gender neutral

²¹ Trainings cover the following areas: accounts, cash management, procurement, asset management, legal frameworks, and resource mobilization.



4 CONCLUSIONS AND RECOMMENDATIONS

4.1. Conclusions

The focus areas of the PFM assessment included planning, monitoring and reporting, budget preparation and implementation, revenue generation, approval by parliament and Audit. Efforts to mainstream gender in PFM require the coordination and contribution of all actors involved.

Regardless of the challenges, in general there have been good progress towards integrating gender into national development plans and budget preparation. Over the years, the participation of women has also increased in FTA programmes and budget literacy trainings. The new GRB Manual played a key role not only in revitalizing discussions on gender and budgeting but also towards assisting budgetary institutions to integrate gender into programme budgets.

There is, however, little progress made in implementation following budget approval. Gender considerations are not often reflected in sector activity plans and, by implication, in monitoring and evaluation, and reporting. Furthermore, budget allocation and reporting is also not done in a Gender responsive manner. For instance, financial templates are not sex-disaggregated and there is no mechanism for tracking which portion of the budget goes towards gender-specific expenditures.

The findings of this study indicate that gender is rarely considered in the development of fiscal policy in general, and in revenue generation. It was also noted that there is neither a guideline nor a tool to integrate gender into external resource mobilization (bilateral and multilateral). There is no gender-mainstreaming guideline in MoFEC that guides the integration of gender within the various departments however there is checklist.

Moreover, auditing is not undertaken in a gender-sensitive manner. Gender issues have not been adequately covered in the performance audits of the OFAG. They are reflected neither in the audit guideline nor in the template, and by implication, are absent in reporting.

The study notes several key challenges in devising Gender responsive PFM including the following: limited GRB awareness and skill, lack of GRB ownership, weak accountability system, high turnover of trained staff, and gaps in gender-disaggregated data.

An enabling environment for Gender responsive budget planning in Ethiopia requires several key elements: political will, establishment of an institutional mechanism for gender equality and women's empowerment led by MoWCA, and the development of GRB guidelines by MoFED (currently MoFEC). Ethiopia's enabling environment includes GTP II with its gender targets and indicators, customized gender mainstreaming guidelines in most of the line ministries, scrutiny by the Women and Children Standing Committee and the Budget and Finance Standing Committee in parliament, institutional trainings, and a revised financial proclamation that takes gender into consideration.

4.2. Recommendations

Planning

- Given the limited level of expertise in the Gender Directorate of the National Planning Commission, capacity-building is key. This may be achieved not only through intensive trainings but also through seconding a gender expert to the Directorate.
- Provide customized gender trainings for the Women and Youth Committee of the Commission, currently engaged in gender-mainstreaming work.
- Interventions to address a lack of awareness and research on gender and macroeconomics are required.
- Gender training for planners and M&E experts in the Commission, as well as sector ministries, is crucial.
- Develop tailor-made gender mainstreaming guidelines for the Commission. In the interim, efforts should be made to improve the gender mainstreaming checklists currently used by the Commission.
- Immediate intervention is needed to mainstream gender in the national M&E framework that is currently being developed by the NPC.
- Build in accountability into reports and plans to reveal adherence by sector ministries in providing gender checklists.

Budget preparation and execution

- Develop thematic gender mainstreaming guidelines for MoFEC. While the GRB Manual guides the mainstreaming of gender in programme budgeting, there is no mechanism to mainstream

gender in other components including resource mobilization (internal and external) and fiscal policy. Develop a thematic gender mainstreaming guideline/checklist for MoFEC's various directorates: Budget Directorate, External Resource Mobilization Directorate, Fiscal Policy Directorate, Tax Policy Directorate and Planning, and the Monitoring and Evaluation Directorate.

- Training and policy dialogue needs to be organized around gender and macroeconomic targeting in MoFEC and the Planning Commission to clarify the added value of gender in the macro economy.
- Consider making gender one variable in the Macro Economic Fiscal Framework along with the following existing variables: government expenditure, revenue, import/export, investment and saving.
- Gender-awareness training in general, and on GRB in particular, should be provided to MoFEC and target middle level management (director and team leader), the Budget Directorate, the External Resource Mobilization Directorate, the Fiscal Policy Directorate, the Tax Policy Directorate and the Planning, Monitoring and Evaluation Directorate. This training should be customized as needed.
- Put an accountability system in place. For instance, use a score card or gender marker and levelling tool to ensure the translation of sector plans into action plans.

Capacity-building

- A pool of experts on GRB should be created at the Civil Service University to make the institutional training sustainable. This recommendation is in view of MoFEC's limited capacity to meeting the growing demand regarding GRB.
- Strengthen the programme budget manual and training curriculum of the Civil Service University in GRB. While there was an attempt to include gender in the programme budget manual, it has not been adequately covered or mainstreamed.
- Build the capacity of the Gender Directorate of MoFEC financially as well as technically by seconding experts. In this way, the Directorate can respond to the increasing demand for GRB from the budgetary institutions.
- The gender department and the Centre for PFM in the Civil Service University should cooperate in the delivery of GRB courses.
- Mentoring, coaching and experience sharing for

key stakeholders in the PFM system is critical.

- Create opportunities for policy dialogue on gender and macroeconomic issues for the Council of Ministers, parliamentarians and high officials at MoFEC.

Revenue generation

- As there is no study on the gender aspects of revenue generation in Ethiopia, it is recommended that one can be carried out on gender and revenue generation such as on gender and taxation.
- Develop gender guidelines and tools on internal and external revenue generation to make revenue generation more Gender responsive. The ongoing research on VAT and expenditure could be an entry point to bring a gender lens to taxation.

Approval

- Provide support to the MoFEC Gender Directorate to meet increased demand for GRB trainings for parliamentarians and others. Regular GRB training should be given to the Budget and Finance Committee as well as the Women's Standing Committee while GRB awareness training should be available to all standing committees.
- Develop a gender checklist for the Women and Children Standing Committee and the Budget and Finance Standing Committee. Further, develop customized gender mainstreaming guidelines for the remaining standing committees.

Auditing

- Develop customized gender mainstreaming guidelines for OFAG and the internal audit divisions of the three sectors.
- Revise the audit manual and reporting template to make it gender sensitive.
- Conduct performance auditing on gender issues.
- Integrate an introductory gender course into the mandatory training curriculum in addition to the optional gender audit course given at an advanced level.
- Conduct gender trainings for internal auditors – both federal and regional.

General recommendations

- MoWCA should support the accountability of Gender responsive planning.
- As a member of cabinet, MoWCA should report on the GRB performance of sectors as well as on their progress towards gender mainstreaming (via a levelling tool) at the Council of Ministers.
- Review existing sex-disaggregated data currently available in CSA to assess the relevance of GRB data for selected sectors.

Sector specific recommendations

Urban Development and Planning

- Conduct situation analysis/gender analysis prior planning.
- Ministry of Agriculture and Urban Development
- Conduct situation analysis/gender analysis prior planning.
- Job creating and Food Security Agency
- Enhance the financial and human resource capacity of the Gender Directorate
- Develop customized gender-mainstreaming guidelines pertinent to the mandate of the Agency.

4.3. Opportunities with PFM reforms

This study marks the first steps in institutionalizing Gender responsive PFM. The recommendations build on lessons drawn from the experiences of other countries. To make PFM Gender responsive, it is important to focus at the following:

1. What areas of PFM reform can impact the gender equality outcomes the most?
2. How can specific PFM reforms be more gender responsive? Where should GRB tools be integrated?
3. Who are the main actors in designing and implementing PFM reforms?
4. Do the actors involved have the capacity required?
5. What are the incentives for actors to ensure that PFM becomes more sensitive to gender concerns?

This study responds to most of the above questions except for question five. These questions were further explored during the validation of the study to fill and gather the missing information regarding

some of the PFM components. Hence the following next steps were identified to enhance gender responsiveness of the PFM System.

Next steps for addressing challenges were discussed and agreed upon during validation

1. GENDERSPECIFICGUIDANCENOTE FOR PFM
2. Towards achieving equal rights and opportunities for women, men, girls and boys in Ethiopia
Develop a step-by-step guide for enhancing gender equality outcomes through improvements in the PFM system.
3. Bring together PFM experts, UN Women and other development partners that work in GRB.
4. Update existing tools on PFM and/or prepare new ones.
5. Share this study and discuss with influential institutions supporting PFM reforms such as the IMF, WB, AfDB and other donors, and senior officials of MoFEC to ensure that future PFM reforms are gender sensitive.
6. Identify champions needed to support and sustain these changes.
7. Create awareness of gender issues among politicians, senior civil servants, and social partners.
8. Identify reasons why GRB could be attractive to respective stakeholders.
9. Form alliances with NGOs/CSOs, experts outside the administration such as universities and the media.
10. Establish a broad political consensus to implement GRB and incorporate gender perspectives into policymaking (CSW, 2008).
11. Use windows of opportunities to launch GRB (i.e. general budget or administrative reform processes).

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ANNEX 1 GUIDING FRAMEWORK ON GENDER AND PFM REVIEW

GENDER SPECIFIC GUIDANCE NOTE FOR PFM

Towards achieving equal rights and opportunities for women, men, girls and boys in Ethiopia

The following questions are grouped to provide guidance in Gender responsive planning, legislation and policies, partnerships and monitoring and evaluation.

1. Planning should ensure there is sufficient gender analysis to inform the PFM process.
2. Legislation and policies should look at factors that could speed up implementation of Gender responsive provisions to create an enabling environment.
3. Partnerships should be leveraged to enable strong analysis and elaboration of PFM programmes that build on interventions by state and non-state actors.
4. M&E indicators and targets need to measure progress throughout the PFM reform agenda and align to nationally agreed upon SDG indicators and targets on gender equality and the empowerment of women.

STRATEGIC PLANNING	YES	NO	Recommendations for improvement
Does the analysis assess how women and men experience the issue under consideration?			
Is planning informed by data disaggregated by sex, age, and other vulnerabilities and gender statistics?			
Have you analysed how spatial factors (rural/urban, peri-urban, urban) affect women's and men's access to resources and public goods?			
Have you examined how socioeconomic variables (urban poor, middle class, rural households), displaced populations (refugees, migrants) and informal sector workers affect women's and men's access to – and benefits from – resources and public goods?			
Is there an analysis of the role of cultural norms and traditions in determining women's and men's access to resources and public goods?			
Do the PFM programmes account for representation and consultation of women and girls in order to address the factors above?			
Do all proposed PFM programmes and projects address the issues above?			
LEGISLATION & POLICIES ²³			
Are legislation and policies linked and contributing to implementation of national legal frameworks for women's empowerment and gender equality as well as Agenda 2063 and SDG commitments?			

²³ This refers to legislations/laws, policies, proclamations etc. as they relate to public finance only.

STRATEGIC PLANNING	YES	NO	Recommendations for improvement
Have you identified the gaps in laws and policies that prevent women from accessing full rights and how these gaps can be addressed?			
Are financial and human resources available for the full implementation of laws and policies?			
Are there laws and policies that need to be harmonized and that could have a positive impact on promoting gender equality in PFM?			
To what extent have laws and policies mainstreamed empowerment measures to encourage women and women's movements to claim their rights?			
Are there any accountability measures, structures, or institutional arrangements proposed in law and policy reform or development that promote women's benefit from public resources?			
PARTNERSHIPS			
Have consultations been held with the national women's machinery, women's rights groups, gender sector working groups, gender equality experts and women and girls at the national and community level?			
Do the proposed PFM programmes and projects consider gender analysis by actors in the Gender Sector Working Group or through policies on gender from other sectors, including the private sector?			
M & E			
Are the indicators and targets aligned to the SDG gender targets and indicators?			
Are official sex-disaggregated data and gender statistics captured to inform gender reporting in the sector at national and/or regional levels?			
Are the tools for monitoring indicators adequate for providing relevant disaggregated data?			
Is the frequency of data collection appropriate for the regular monitoring of progress?			
Is the data provided accurate and reliable?			
Are the sources of data used for each indicator the most appropriate?			
Is there a shared understanding of the interpretation of indicators? Is there a metadata summary?			

ANNEX 2 INSTITUTIONS THAT PARTICIPATED IN THE INCEPTION WORKSHOP AND BILATERAL MEETINGS ON GENDER GAP ANALYSIS OF THE PFM SYSTEM

Government Organizations

Agricultural Transformation Agency
Amhara Bureau of Agriculture
Amhara Bureau of Finance and Economic Cooperation
Amhara Bureau of Women and Children Affairs
Amhara Planning Commission
Central Statistical Agency
Ethiopian Civil Service University
Federal Attorney General
Federal Urban Job Creation and Food Security Agency
Ministry of Agriculture and Natural Resources
Ministry of Education
Ministry of Finance and Economic Cooperation
Ministry of Industry
Ministry of Transport
Ministry of Urban Development and Housing
Ministry of Women and Children Affairs
National Planning Commission
SNNPR Bureau of Agriculture and Natural Resources
SNNPR Bureau of Finance and Economy Development
SNNPR Bureau of Women and Children Affairs

International Financial Institutions

World Bank
International Monetary Fund (IMF)
African Development Bank (AfDB)

UN Agencies

United Nations Economic Commission for Africa (UNECA)
United Nations Children's Fund (UNICEF)

Non- Governmental Organizations

Union of Ethiopian Women Charitable Association (UEWCA)

Development Cooperation Partners

Sweden Embassy
Australia Embassy
Denmark Embassy
UK Department for International Development (DFID)



**Ministry of Finance and
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