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“Is ‘gender budgeting’ an inclusive part of the gender mainstreaming strategy in EU policies?”

First of all, let me briefly introduce myself. I am a sociologist and, for nearly 20 years, I’ve been involved in feminist organisations, university women’s studies centres and international political institutions to conduct studies on gender equality issues. With the time, I used to develop an expertise on public policies evaluation, with a strong emphasis on gender impact assessment, especially in the field of employment and social policies. In 1995, for instance, I made a gender impact assessment of the social and economic development programme of a regional Belgian government, then I investigated the gender impact of governmental programmes to fight poverty and social exclusion and, later on, I evaluated how gender mainstreaming was implemented by Belgian authorities in the European Social Fund programmes between 1994 and 1999.

In July 2001, the Belgian Prime-Minister, Minister of Employment and of Equality policy asked me to join her team of counsellors in order to insure the “gender mainstreaming” dimension of the Belgian Presidency of European Union. Based on this experience which just came to an end, my contribution today aims at highlighting the political process undertaken at EU level to gender mainstreaming EU policies, and especially economic and financing policies. The question I’m raising is, if yes or no, “gender budgeting” can be considered as an inclusive part of the gender mainstreaming strategy developed at EU level.

The EU commitment to gender mainstreaming

In the Community, the policy change from “promotion of equal opportunities for men and women” to a strategy of “mainstreaming of gender equality” into all European policies areas was relatively rapid. Everybody agrees to consider 1995 as a pivotal year, the intensive preparation of the Beijing Conference offering the political context for this policy shift because of lots of talks and discussions that took place within the European institutions, between the European Commission, the Member States and other international organisations and also with the women’s organisations who succeeded in making their voices heard.

Since then, the EU commitment to gender mainstreaming has been built step by step. Articles 2 and 3 of The Treaty¹ formalise the Community commitment to gender mainstreaming. The 1996 Commission Communication "Incorporating equal opportunities for women and men into all Community policies and activities"² gives a definition of the concept of "mainstreaming" and states the commitment of the Commission to adopt a policy based on "*mobilising all general measures specifically for the purpose of achieving equality*". This was the formal launching point of the commitment of the Commission to a policy based on mainstreaming and it has served as the basis for all subsequent activities. In 2000 the Commission adopted the Communication "Towards a Community strategy on gender equality (2001-2005)"³. Equal opportunities is now an integral part of the European employment strategy, the Structural Funds covering the years 2000-2006, and development co-operation and Research Policy.

The Commission's document on "**Women and Science** : the gender dimension as a leverage for reforming science"⁴ suggests a strategy on women and science to achieve a reinforced Policy Forum; an enriched Gender Watch System; an improved understanding of the of the "gender and science "issue. In June 2001, the Swedish Presidency of the EU has put forward a resolution for approval at the Research Council in which the Commission is invited to continue and intensify its efforts to ensure effective mainstreaming of the gender dimension when implementing the new Sixth Framework programme and developing the European Research Area. A European conference on gender and research, organised in Brussels last November, demonstrated the progress already made by the Commission through the implementation of its strategy to promote women in science and defined ways for reinforcing its gender mainstreaming strategy.

Major steps have also been made to translate the commitment to gender mainstreaming in the **European Structural Funds**⁵ into practice. The preparations by the EC for the reform of the Funds, called agenda 2000, provided a significant opportunity for a major change in the treatment of gender equality in the Funds as long as, for the first time, it was possible to intervene at the beginning of the process of revision of the regulations and guidelines for the programming period 2000-2006.

¹ Article 2 "The Community shall...promote...a high level of Employment and social protection, equality between women and men, the raising of the standard of living and quality of life, and economic and social cohesion and solidarity among Member States."

Article 3 "In all activities referred to this Article, the community shall aim to eliminate inequalities, and to promote equality, between women and men."

² COM(96)67 final

³ COM (2000)335 final

⁴ SEC 2001, 771 of 15 May 2001, doc. 8983/01 RECH 60

⁵ The European Structural Funds are the main source of European financial support for regional and local economic development and labour market integration. The main aim of the Funds is to reduce regional and social disparities and to establish the conditions which will assure the long-term development of the regions. The European Structural Funds comprise three Funds : the European Regional development Fund (ERDF) which finances investments in infrastructure (transport, telecommunications, environment, energy), economic and employment development and regional regeneration ; the European Social Fund (ESF) which finances vocational training, employment and social integration measures ; and the European Agricultural Guidance and Guarantee Fund (EAGGF) which supports agricultural diversification and rural development.

Various articles in the horizontal guidelines address gender equality :

- there is clear reference to the intention to ensure that the operations financed by the Funds will contribute to the elimination of inequalities and promote equality between women and men ;
- there is an indication of how the balanced participation of women and men will be achieved within the monitoring committees ;
- key monitoring indicators are broken down by sex ;
- an ex-ante evaluation of the situation in terms of equality is included ;
- there is a clear outline of the arrangements for monitoring and evaluating equal opportunities at the appropriate levels ;
- there is an outline of how equal opportunities will be taken into account in the management and control arrangements for selecting and monitoring operations
- In financial terms, the regulations state that equal opportunities is one of the criteria for fixing the level of the financial contribution by the Community and for allocating the reserve fund between the regions within each member state. The mid term evaluation is used as the basis for allocating the reserve fund and equal opportunities is expected to be included in this evaluation.

It is still too early to assess the practical implementation of these new rules but it already appears from an expert consultant's paper that the full implementation of the policy initiatives are meeting various obstacles. As the expert writes : *“Without doubt the European Commission is stronger on policy formulation (and legislation) than on developing accompanying arguments, procedures and instruments for translating policy into practice within the framework of programmes and projects and within specific sectors.”*⁶

According to this expert, major problems rooted within the European Commission itself can be noticed. They seem to be due to :

- a lack of structure and of institutionalisation of gender mainstreaming;
- a high dependency on a few highly motivated junior officials or experts;
- a lack of knowledge and understanding of gender equality issues among civil servants;
- strong male bias in the culture of the institution which leads to focussing strongly on “policy statements”, “procedures and instruments”, “technical guidelines” and “financial performances” whereas human goals, finality and policy content are neglected;
- a lack of an explicit, adequately-ressourced strategy for gender mainstreaming.

Lessons from “gender mainstreaming” exercises during the Belgian Presidency

In agreement with Sweden, who chaired the Union during the first semester of 2001, Belgium considered that political efforts towards gender equality at EU level should concentrate on economic field in order to improve women's position both as

⁶ Dr Mary Braithwaite, « Mainstreaming gender in the European Structural Funds », paper prepared for the Mainstreaming Gender in European-Public Policy Workshop, University of Wisconsin- Madison, October 14-15 2000, p. 6

contributors and as beneficiaries of economic growth. To this end, and accordingly to the gender mainstreaming strategy decided in 2000 during an informal European Council meeting of Ministers of Equality, two major actions were chosen by Minister Laurette Onkelinx :

- Follow-up of the Beijing Platform of action : gender pay gap indicators;
- Gender mainstreaming the EU Broad Economic Policy Guidelines.

It is important at that stage to stress the fact that this choice is a result of political talks between European women decision-makers devoted to gender equality in the Member States and in the European Commission in order to define a step by step strategic approach for effective implementation of gender mainstreaming in major EU policies. Let's consider from the Belgian experience whether or not this strategy can lead to the launching of a gender budgeting process at European level.

Follow-up of the Beijing Platform of action : gender pay gap indicators

As a result of the adoption by the EU in 1995 of the Beijing Platform for Action, the Council of the European Union took over a mandate to organise an annual follow-up by the Member States. Consequently, the Employment and Social Affairs Council examines every year the achievements in this field. Since the follow-up process of 1996 and 1997 revealed a need for more consistent and systematic European Union monitoring and assessment of the progress made, the Council agreed in 1998 that the annual assessment of the implementation of the Platform for Action would include a proposal on a set of quantitative and qualitative indicators on the major issues of the Platform.

In 1998 the Austrian Presidency suggested for the first exercise to withhold the theme of "Women and decision making". Therefore, in 1999, the Finnish Presidency elaborated a comprehensive report on this theme and submitted a series of indicators for adoption by the Employment and Social Affairs Council. In its conclusions, the Council called for the continuation of the process, stressing the need of indicators on "women in the economy" and "violence against women" to be developed by future presidencies. The following French and Portuguese presidencies worked together to elaborate indicators on the reconciliation of working and family life which were adopted at the Employment and Social Affairs Council in November 2000. In its turn, the Swedish and Belgian Presidencies worked in accordance to build a set of indicators on gender pay equality.

In order to elaborate a proposal for indicators, a study comprising two sections was undertaken : on the one hand, an in depth analysis of the data available in the harmonised European databases, whereas on the other hand we have realised a questionnaire which has given us information on the availability of national data in the EU Member States, as well as on their public authorities' policies in the field of gender pay equality. Together these two approaches have allowed us to submit conclusions for adoption by the Employment and Social Affairs Council in December 2001. The conclusions include a set of 9 quantitative and qualitative indicators on gender pay equality as well as recommendations for the improvement of data

collection and, most important, for the integration of these indicators into the mainstream evaluation processes of EU policies, like for instance the Luxembourg Process which enables the follow up of the employment guidelines.

First political conclusion

The exercise on gender pay gap indicators reveals that as long as gender equality measures are kept aside of all mainstream monitoring processes, nobody cares. The support given by all Member States to the Belgian initiative was obviously based on the implicit assumption that the gender pay gap indicators would be kept apart in a kind of « women's issues policy ghetto » and would never be used.

As soon as Belgian explicitly mentioned, in the draft conclusions for the Employment Council, not only the need to use these indicators to assess mainstream policies but also the ways of doing it, then the fight began and those who looked like very good friends became terrible enemies ! A very easy political process – a few meetings were planned – shifted at the very last minute into a very strong political struggle and I had the very big surprise to notice that except the Minister, the Commission and fortunately the members –men and women – of three delegations, nobody was standing behind me anymore !

Sex-disaggregated statistics and indicators are vital tools for the establishment and follow-up of an efficient gender mainstreaming strategy. The double task of engendering indicators and to build gender indicators is then a necessary pre-condition for :

- integrating a gender perspective into indicators in other policy areas than gender equality ;
- monitoring progress in the policy area of gender equality over time.

They are basic tools for performing a gender impact assessment of EU policies and, hopefully, launching a process of gender responsive budget analysis. A lot of work has still to be done in that direction, at EU level and in the Member States, and the political fight to get the appropriate resources (financial, technical, human) to achieve this enormous work has, in a way, just begun ! Still a considerable amount of energy is required to achieve this aim so much the ideological resistances towards gender mainstreaming are strong.

The initiative of the Belgian Presidency to explore whether gender mainstreaming can be further developed in the Broad Economic Policy Guidelines has demonstrated that the EU is far from being ready to undertake a gender responsive budget initiative.

Gender mainstreaming in the EU Broad Economic Policy Guidelines

The Lisbon European Council in March 2000 set out a new strategic objective for the Union "*to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion*". Policies to promote equal opportunities were cited as one of four key areas in developing an active employment policy⁷.

The Broad Economic Policy Guidelines (BEPGs) are at the centre of the economic policy co-ordination in the EU. They set out a strategy of growth- and stability oriented macro economic policies and comprehensive economic reforms of labour, product and capital markets to fulfil the Lisbon objectives. The BEPGs are decided by the Council based on a recommendation from the Commission, in line with article 99(2) of the Treaty. The BEPGs assemble different policies under a single umbrella and give a broad and strategic guidance for the economic policies of Member States and the Community, while fully respecting the fact that some policy areas are under the responsibility of the Member states.

Taking into account both the objectives and the constraints of the BEPGs, the Belgian Presidency launched an initiative to strengthen gender mainstreaming in the work of the ECOFIN Council by exploring how Gender Mainstreaming could be developed in the Broad Economic Policy Guidelines (BEPGs).

To this end, the Commission organised a one-day technical seminar gathering independent experts, representatives of the Commission and of the Belgian Presidency on 18 October 2001.⁸

A report on the main issues raised by the external experts at the technical seminar was then produced in a view to identify how these orientations could be developed within the framework of economic policy co-ordination, including the BEPGs or within other, more detailed policy instruments. This document was distributed to all Ministers at both the Employment and Social Affairs Council and the ECOFIN Council held in December 2001. At both Council meetings the major conclusions of this exercise were reported by the Belgian Presidency.

It was first noted at the seminar that the gender dimension is practically absent in the introductory section of the 2001 BEPGs, which describes the economic background to the guidelines and identify the main policy challenges in the short, medium and longer term. However, the BEPGs do include guidelines on promoting labour force participation among women, including the need to ensure an adequate provision of care facilities, and on reducing gender pay differences due to discrimination. Some of the external experts suggested that future BEPGs could make the interlink between gender equality and the policy strategy set out by the BEPGs more visible.

It was also noted that the precondition for implementing gender mainstreaming as data broken down by sex are not in place in some of the different and more detailed

⁷ §29 calls for furthering all aspects of equal opportunities, including reducing occupational segregation and making it easier to reconcile working and family life in particular by setting new benchmark for improved childcare provision.

processes leading up to the BEPGs, and are currently not available for a great number of indicators. The first conclusion focusses then on the urgent need for developing engendered statistics and indicators and on the importance of promoting analysis and research to better understanding the implications for women and men of policies aimed at improving the functioning of the internal market, including the capital market. Further analysis is also needed to explore the relevance of the unpaid economy for economic policy making.

This technical seminar was also very important because for the first time in the Commission the issue of gender sensitive budgeting was raised and discussed. Experts reported on the existing experience, methodology and tools and on the results of the High Level Conference "Towards Gender-Responsive Budgeting- Strengthening economic and financial governance through gender responsive budgeting" that was held in Brussels the day before⁹.

Specific policy examples illustrated the often ignored gender implications of budgetary consolidation or how a gender perspective could help in the understanding of the problem of ever-increasing health care expenditure in most industrial countries. Moreover, a gender perspective could help in preparing for the budgetary challenges associated with population ageing which is strongly emphasised in the BEPGs.

It was illustrated that different policy choices and approaches have different impacts on women and men. Thus, for example, an increase in VAT is likely to disproportionately hit women, since even if VAT is a proportionate tax, it affects low income earners more, among whom women are over-represented. Conversely, increasing the progression of income taxes disproportionately affects men and is likely to reduce the gender gap in disposable income.

The complex issue of derived versus individualised tax and benefit systems and their impact on gender equality, women's employment rates and thus economic growth were discussed. It was illustrated that, in many cases, existing tax and benefit systems constitute disincentives to enter and stay in the labour market, e.g. for women. For instance, one of the experts referred to the tax system in Germany, where high marginal tax rates on the additional earned income for the second earner in a household (usually a women) greatly reduces the incentives to participate/increase his/hers employment activity.

As far as Product markets and Financial & Capital Markets are concerned, it was lamented that very little knowledge or research is available on these issues, and statistics broken down by gender are almost non-existent. The need for a gendered approach to transport policy was especially underlined by the experts, given that men use private transport much more than women and conversely for public transport; and that easing commuting is very important to mobilising female labour supply. At the same time, it was pointed out that research is very limited on this point and further analysis is necessary.

Second political conclusion

The technical seminar who gathered officers from all DG concerned revealed some of the limits of application of the mainstreaming approach inside the European Commission. In spite of the clear commitment on the application of gender equality to all policy areas and programmes, certain policy fields are protected from “interference”, most notably the harder areas of finances, capital markets and the more technical ones such as transport, etc.. Gender issues are more easily accepted in “soft” areas dealing with human resources development (such as employment and training policies) than in “hard” areas which receive the most financial support. The relevance of gender to measures in the fields of infrastructure (transport, etc.) is highly resisted. A similar difference in acceptance of the issue can be observed between “small-scale” and “large scale”, for exemple concerning enterprise development, where it all happens as if women were only concerned by micro-credit and micro-entreprise ! Small is always beautiful .. for women !!

General conclusion

Gender mainstreaming is getting more and more visible in EU political decisions and Council conclusions. We succeeded the important step to get out of the “ghetto” of 8th of March informal Councils on Equality issues. Gender mainstreaming was mentioned at the agenda of Education and Research Councils, of Development Councils, and for the first time in December 2001 in ECOFIN and General Affairs Councils. In each of these Councils, a Minister usually not dealing with equality issues has reported about new gender mainstreaming initiatives undertaken in mainstream policy area and has asked his/her colleagues to adopt some conclusions for a follow up process.

At the same time, progress made in implementing this new gender mainstreaming strategy are regularly reported in Employment and Social Affairs Councils by the Minister in charge of equality issues. For the first time also, the Belgian Presidency succeeded in recording the results of the gender mainstreaming exercises in the Presidency Conclusions of the European Council Meeting in Laeken : *“The European Council notes with interest the consideration given to the principle of equality between men and women in the broad economic policy guidelines and in the Euro Mediterranean partnership, and also the list of indicators of gender pay inequalities. »*

Such an hard work for such a weak result... Again, a big elephant has given birth to a very small mouse !! It is up to us now to use the muscle of our imagination and find out the most efficient way of reinforcing gender mainstreaming into EU policies in order to launch a gender budgetting process as soon as possible ...