Key Imperatives for Adoption of GRB
- Political and bureaucratic commitment and the right attitude
- Strengthening of National Women’s Machinery
- Ownership by ministries of Finance and sectoral ministries
- Enhancing higher level of awareness and capacity building
- Effective involvement of civil society organizations
- Ongoing monitoring, review and appropriate data collection

Plan Formulation Criteria Adopted by Government of Nepal

The Ministry of Finance (MoF) formally introduced a GRB system in the financial year 2007/2008. In compliance with this system, sectoral ministries are required to categorize their programme budgets according to the extent to which they support gender equality. The three prescribed categories are: directly gender responsive, indirectly gender responsive or neutral.

The first indicates more than 50% of the allocation directly benefiting women, the second indicates 20-50% and the third indicates less than 20% benefiting women.

Classification must be carried out according to the following indicators and quantitative weightage awarded to each as follows:

<table>
<thead>
<tr>
<th>Qualitative indicators</th>
<th>Quantitative weightage</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Increase in women’s efficiency/capacity</td>
<td>20%</td>
</tr>
<tr>
<td>b) Women’s participation in plan/programme formulation and implementation</td>
<td>20%</td>
</tr>
<tr>
<td>c) Women’s share of the benefit</td>
<td>20%</td>
</tr>
<tr>
<td>d) Support for women’s employment and income generation</td>
<td>20%</td>
</tr>
<tr>
<td>e) Qualitative improvement in women’s time use and reduction of workload</td>
<td>20%</td>
</tr>
</tbody>
</table>

Formation of Gender Responsive Budget Committee (GRBC)

The Government’s Budget Statement of 2005/2006 (clause no. 139) stipulated the formation of a GRBC within the MoF by the decision of Nepal government on 30th August 2005 with the following executive members and terms of reference:

- Joint Secretory, MoF, Budget and Programmes Division: Coordinator
- Representatives, National Planning Commission: Secretary
- Representatives, Ministry of Women, Children & Social Welfare: Member
- Representatives, Ministry of Local Development: Member
- Representative, United Nations Development Fund for Women, UNIFEM: Member
- Unidentified, MoF, Budget and Programmes Division: Member-Secretary

Terms of Reference of GRBC

- To monitor the patterns of budget allocation and implementation to make budget gender responsive.
- To evaluate public expenditure from a gender perspective.
- To regularly analyze the impact of economic policies on women and incorporate the findings in the economic survey.
- To strengthen the capacity of gender focal points in planning divisions of sectoral ministries responsible for budgeting.
- To disseminate information on GRB for providing inputs to the government to make budget gender responsive.

Key Achievements of GRBC

- The Government of Nepal has shown its commitment for institutionalization of GRB system in all government mechanisms. Consequently, the MoF has revised budget forms, manual and related software (e.g. Budget Management Information System (BMIS)), Line Ministry Budget System (LMBS) and Project Performance Information System (PPIS) to make them compatible with GRB approaches.
- The government machinery has improved capacity for adoption of GRB approach.
- The revised forms and guidelines have been adopted by the government of Nepal in all government machinery, Constitutional Commissions, Sectoral line ministries and Departments since the Fiscal Year 2007/2008.
- A ‘Screening Committee’ is functional in Ministry of Women, Children and Social Welfare to implement the decisions of GRBC.

Other Accomplished Activities

- Prepared and widely disseminated IEC materials on GRB.
- Published an Introductory Booklet of GRBC.
- Conducted training and workshops for various levels of government officials on initiating planning process with GRB approach.
- Published the compilation of “Gender Assessment and Gender Budget Audit in Seven Ministries”.
- Published study report on “Engendering Framework for Programme Budget Guidelines and Economic Survey of Government of Nepal” and disseminated for extensive stakeholders.
- Conducted gender budget audit of Ministry of Labour and Transport Management and Ministry of Forest and Soil Conservation.
- Prepared checklist to engender programme and budget guidelines of National Planning Commission.
- Prepared GRB Audit Guidelines specifically for Gender Focal Persons of all Ministries.

On-going Activities of GRBC

- Preparation of strategy, mechanism and process for implementing at least 33 percent participation of women in public sector.
- Preparation of policy on zero tolerance to violence against women.
- Capacity building of Gender Focal Person of all ministries.
- Follow up on the findings and recommendations of Gender Assessment and Gender Budget Audit in Seven Ministries.
- Conduct trainings, Trainings of Trainers (TOT), consultations, and orientations with concerned ministries and departments.
- Continuously follow up on the adoption of GRB softwares (BMIS and LMBS) by the government machinery.

For more information, please contact:
Gender Responsive Budget Committee
Budget and Programme Division
Ministry of Finance
Singha Darbar, Kathmandu
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Prepared for MoF under the support of UNIFEM.

Government of Nepal
Ministry of Finance
Budget and Programme Division
Gender Responsive Budget Committee
Singha Darbar, Kathmandu
2008 August
What is GRB?

Gender Responsive Budget (GRB) is an important strategy for examining budgets for their contribution to gender equality. It consists of a set of processes and tools to allow correct and easy assessment of the implementation of budgetary expenses and revenues on the social and economic positions of women and men.

GRB first came to practice in the federal and state governments of Australia in 1984. It was implemented as a gender mainstreaming strategy that integrates economic and social policies with a whole government approach. Back then, they were called 'women's budget' due to the focus on the feminine impact on the budget, but just a decade later, the term 'gender budget', 'gender sensitive budgets', 'gender responsive budgets', and 'gender budget initiatives', came into common practice. This is due to the decision to use gender as a separate category of analysis. Till date, more than 82 countries have started practicing GRB including India, Pakistan, Sri Lanka, and Nepal.

GRB is not a separate budget for women. It mainly seeks to ensure that all the needs and interests of various social groups are highlighted in the budget as women and men have different priorities, due to their separate roles in society. GRB, therefore, refers to a variety of processes and tools, which attempt to assess the impact of government/society/agency budget, mainly at national level, on different groups of women and men, through recognizing the ways in which gender relations underpin society and the economy.

Why GRB?

Nepal has been a signatory to a number of UN commitments to gender equality and more inclusive economic development such as the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action (BFWA), and the Millennium Development Goals (MDGs). The stated commitments included mobilizing resources and ensuring transparency and accountability in budget processes because of the links between gender equality and broader economic and social progress. Despite these commitments, there remain significant gender inequalities and distribution of opportunities among women and men. A key obstacle has been the inadequate allocation and ineffective and inequitable use of public resources.

GRB is recognized as an important tool to hold governments accountable for their commitments to women's rights and gender equality as they allocate these commitments to the generation, distribution, and use of public resources. Therefore, it is high time government finances examine the real situation of women and men's lives—especially women who are often at the periphery of economic debates—in the decisions which shape policies, set priorities and meet the social and economic needs of all citizens.

GRB examines the situation of women and men, girls and boys, and various other sub-groups and checks if the policies are gender-sensitive. It makes sure that sufficient budget is allocated to promote and practice the gender-sensitive policies. It also looks into the expenses being spent as planned and examines the result of the policy and expense to make sure that it has promoted gender equality.

GRB holds governments responsible to their commitments and raises awareness of gender issues in budgets and programmes. It changes or adjusts budgets or programmes in case of discrimination to ensure gender equality and women's human rights by linking their commitments to the allocation and use of public resources.

GRB strengthens good governance by increasing responsibility, competence, and transparency. Through participatory budgetary process, governments bring together and allow equitable distribution of public resource allocation and use. Gender-based assessment of budgetary allocations promote more equitable results, more targeted and user-friendly services. It facilitates efficiency and justice in the distribution of public resources and in sharing the burdens of direct and indirect taxation.

It is crucial at the initial stage to build in how gender as a factor affects access to the labor market and to services before financial resource is allocated. This could result in funds being allocated and/or targeted differently. Such an approach has the advantage of strengthening the link between policy objectives and resource implications. It provides a better reflection of accountability for government's commitments to gender equality and social cohesion, respect for human rights and good economic and financial resources.

How to Formulate GRB?

GRB can be formulated inside government by departments and ministries, in elected bodies by elected representatives, or outside government by researchers and civil society organizations. GRB looks at planned and actual inputs, activities, outputs and impacts.

Inputs consist of the money allocated and spent. Activities consist of the services planned and delivered e.g. health services, industrial support services and tax collection services. Outputs consist of the planned and delivered take-up of the activities e.g. patients treated, businesses supported, taxes paid. Impacts consist of planned and actual achievements in relation to broader objectives e.g. healthy people, competitive businesses and sustainable growth of national income.

Normally the GRB is formulated by using the following tools for gender analysis:

• Gender-aware policy evaluation of public expenditure by sector
• Gender-disaggregated public expenditure benefit incidence analysis
• Gender-disaggregated beneficiary assessment of public service delivery and budget priorities
• Gender-disaggregated analysis of impact of budget
• Gender-aware medium-term macroeconomic policy framework
• Gender-disaggregated revenue incidence analysis
• Gender aware budget statement
• Disaggregated analysis by sex of the impact of the budget on

Myths/Assumptions of GRB

Many assume that "budgets are (gender) neutral economic instruments" as it deals with financial aggregates. There is no mention of people at this level of policy. However, policymakers should not assume that government expenditures and taxes impact equally on men and women, since women and men generally occupy different social and economic positions.

GRBs are not separate budgets for women or men. Instead it brings overall gender awareness and sensitivity into the policies and budgets of all sectors.

GRBs are not about 50% budget for men and 50% budget for women. But it analyzes financial resource generation, allocation, expenditure and the impact from a gender perspective.

GRB does not increase the overall budget. Rather it is re- prioritization in overall expenditure. It emphasizes on reorientation of programmes within sectors rather than changes in the overall amounts allocated to particular sectors.

GRB is not all about "who makes how much by doing what". It also focuses on the non-financial contributions made towards the economy and society by recognizing the unpaid but committed labor of women in bearing, raising, and caring of citizens.

GRB is not just about government budgets. It is also concerned with budgets of NGOs, Civil Society Organizations, Electoral bodies, Ministries, Departments as well as Central and Local Governments.

Benefits of GRB

• It leads to good governance by enhancing transparency and accountability of the gender impacts of budgets.
• It addresses the gaps between international commitments to gender equality and resources allocated.
• It accelerates alleviation of poverty effectively through equitable distribution of resources between women and men.
• It improves budgetary performance and optimises the use of limited resources.
• It enhances economic efficiency and contributes to broader goals of social justice.
• It contributes to a more open relationship between government and civil society.
• It motivates the success of policy goals.
• It gives voice to those previously marginalized from fiscal policy decision-making.
• It contributes to achieve gender equality.

Who Needs to Use GRB?

The main authorities/ stakeholders/actors that need to be involved for the correct planning, implementation and positive result of the GRB are as follows:

• All Government Ministries and Departments
• Local Government Bodies
• National Women's Machinery
• Civil Society Organizations
• Academia
• Parliamentarians
• Media