

EU Gender budgeting: where do we stand?

WHAT IS GENDER BUDGETING ?

'Gender-sensitive budgeting' or 'gender budgeting' means **gender mainstreaming of the entire budgetary process with a view to incorporating a gender equality perspective to all decisions on revenue and expenditure.**

Gender budgeting has a fundamental impact on inclusive and economic growth, fostering employment, reducing poverty, addressing ageing population and increasing Gross Domestic Product (GDP). According to the study¹ of the European Institute for Gender Equality (EIGE), the estimated impact of improved gender equality varies considerably across member states from 4% to 12% of GDP, depending on the present level of achievement of gender equality.

European Union commitment to gender budgeting

The European Union (EU) has shown a high-level political and legal commitment to the principles of gender equality and gender mainstreaming. These principles appear, among others, in Arts. 2 and 3 of the TEU², Art. 8 of the TFEU³ and Art. 23 of the EU Charter of Fundamental Rights⁴. Member States are also committed to several programs designed to reduce gender inequality⁵. However, the conclusions of two recent studies conducted by the European Parliament in 2015⁶ and 2019⁷, highlighted an insufficient application of gender budgeting in practice and the absence of progress in terms of gender-budgeting between 2015 and 2017.

- In 2019, the annual budget suffered from inconsistencies between different chapters as to whether, and to what extent, the principle of gender equality is observed.
- Gender equality was not mentioned in the forthcoming 2021-27 MFF.
- The legal basis of EU spending programs showed a weak and piecemeal commitment to gender equality.

¹ Economic Benefits of Gender Equality in the European Union, 2017, EIGE

² https://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0023.02/DOC_1&format=PDF

³ <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:12012E/TXT:en:PDF>

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A12012P%2FTXT>

⁵ See Annex I

⁶ [https://www.europarl.europa.eu/RegData/etudes/STUD/2015/490708/IPOL_STU\(2015\)490708_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2015/490708/IPOL_STU(2015)490708_EN.pdf)

⁷ [https://www.europarl.europa.eu/RegData/etudes/STUD/2019/621801/IPOL_STU\(2019\)621801_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2019/621801/IPOL_STU(2019)621801_EN.pdf)



- Gender budgeting and gender mainstreaming were not debated in plenary sessions, which is a significant opportunity to make a political case for gender budgeting.
- The Juncker Commission never mentioned gender budgeting among key priorities.

The room for improvement in the EU

Despite the EU budget being smaller than national budgets, the EU “**shared management**” structure is still likely to have a significant impact on gender budgeting. It is able to influence domestic norms and politics by attaching European gender-equality standards and conditions to EU funds and programmes. The EP 2015 and 2017 studies as well as EIGE Gender Equality Index 2019 identify the inconsistent commitment of Member States to gender equality as one of the main barriers to improvement towards gender equality in the Union (see Box.1). To ensure the efficiency of programmes and policies it is necessary to integrate a systematic and consistent data collection phase in order to monitor and evaluate the commitment and the impact of gender equality.

Box.1

The example of the European Social Fund (ESF) Programme (2007-2013)

Although the ESF helped almost 10 million Europeans to find a job between 2007 and 2014, the Commission ex-post evaluation assesses that Member States have shown irregular commitment to gender-related issues: *“in a number of Member States and in some policy themes, there are considerable differences in the gender balance.”*

Furthermore, the absence of data collection regarding impact of the policies on gender-related issues lead to insignificant outcomes.

Source : COMMISSION SWD Ex-post evaluation of the 2007-2013 ESF Programmes)
<https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=2684&furtherNews=yes>

The EP 2015 Study analysed **six policy areas** having direct and high impacts on gender equality: Employment, Social Affairs and Inclusion, Home Affairs, Justice, Development and Cooperation, Research and Innovation and Education and Culture.

- The policy area of ‘Justice’ appears to be the most straightforward area in terms of implications on gender equality.
- In the area of ‘Home Affairs’, gender equality issues are particularly severe in the field of migration and asylum.

However, since gender budgeting is not recognized as a fundamental policy objective these policy areas still don’t significantly impact gender-related issues. Given its complex societal dimensions gender equality often **falls into the scope of various policies** and competes with other policy objectives to secure funding, meaning budgetary accountability is impeded. In particular, several policy objectives in the **Justice chapter**

are combined in umbrella budget items for EU funding. An example of the Daphne III Programme points out the importance of addressing gender-related issues (see Box. 2).

Box.2

The example of Daphne III Programme (2007 - 2018)

Daphne III Programme was a highly successful flagship EU programme tackling gender-based violence designed in the context of the 'Rights, Equality and Citizenship' programme of the Justice policy. To raise funds, Daphne III policy objectives were mixed with other diverse and distinct policy objectives, including the protection of personal data, the protection of the rights of the child and the empowerment of consumers. It raised accountability and transparency problems as there was no indication how resources had been used.

Recommendations

As a positive development, the EIGE and the OECD have launched initiatives and conducted several studies (see Annex) providing a valuable source of knowledge and expertise that could inform about the implementation of gender budgeting in the EU. The recommendations following the studies and reports focused on gender budgeting are as follows:

- The EU's macro-political level commitment to gender equality and gender mainstreaming should be reflected in the drafting and implementation of the EU budget and pursued at the micro-political level for all policies that receive funding from the EU budget.
- Particularly in cross-cutting issues that fall within the remit of several budget titles, it is essential to pursue gender equality objectives and fulfil gender mainstreaming in all budget titles. In order to increase the transparency of the budget, specific amounts allocated to individual actions and policy objectives should be specified in the budget.
- In all actions financed by the EU budget, gender-specific indicators should be adopted and applied in the project selection, monitoring and evaluation phases. In order to ensure financial accountability and transparency, the data should be made available to the public.
- In the light of the EU budgetary and legislative processes, these recommendations require the commitment of several actors involved in the process to gender equality (see Box. 3). The European Commission (EC) should screen the legal bases of the budget titles analysed in this report to make sure that gender equality and gender mainstreaming are recognised horizontally in the titles and in the rest of the budget. In titles where gender equality and mainstreaming are not embedded in the legislative framework, the EC should start the legislative process with a view to amending the legislation in question to address this deficit.
- When drafting their individual budgets, EU institutions and bodies should clarify the potential gender equality impacts of their spending decisions (such as budget tagging, see Box. 4). They should also specify target groups of beneficiaries, and participants of their actions, on the basis of gender as well as other intersectional characteristics (such as race, economic class, migration status, religious background and LGBT status) which might potentially cause discrimination or inequalities in the implementation of

the specific policy in question. A specific gender equality objective should be defined for each budgetary item.

Box.3

The Swedish Gender Equality Agency

Sweden ranked first in the EU according to the EIGE Gender Equality Index since 2005 is a pioneer in terms of gender-equality policies. The Swedish approach systematically includes gender mainstreaming and gender-responsive budgeting in all titles and all level of the decision-making process.

To contribute to the effective implementation of the Swedish gender equality policy at all levels, the Swedish Gender Equality Agency was created in 2018. It aims to foster the cooperation of several actors (government agencies, municipality, councils, region, civil society...) and provides various forms of support to analyze the progress, assess the implementation of governmental policies, and participate in the allocation of government grants to different projects.

Source: <https://eige.europa.eu/publications/gender-equality-index-2019-sweden>

Box.4

Budget tagging - the example of Italy

Italy ranks 14th in the EU according to the EIGE Gender Equality Index 2019 and is progressing towards gender equality at a much faster pace than other EU Member States. Italy introduced a gender budgeting monitoring tool in 2016 that aims to track budget expenditure and classify them in the light of their impact on gender equality. Expenditures falls into the following categories:

- Neutral expenditures: these have no direct or indirect impact on gender, for example: interest and debt repayments, depreciation, royalties and utilities.
- Sensitive expenditures: these relate to measures that have a different impact on men and women, for example, compensation of employees or expenditure on school education.
- Expenditures aimed at reducing gender inequalities: these relate to measures directly attributable to, or aimed at, reducing gender inequalities or promoting equal opportunities. For example, women's entrepreneurship funds, female employment incentives, work-life balance measures.

Source : <https://eige.europa.eu/publications/gender-equality-index-2019-italy>

In conclusion, several EU policies and programmes designed to address gender-related issues have not significantly impacted gender inequalities thus far. Since the early 2000's, numerous studies have suggested methodological tools to implement gender budgeting more efficiently.

ANNEX

Figure 1. Timeline of European major initiatives and publications addressing gender inequalities

1995	Beijing Declaration and Platform for Action for Equality, Development and Peace (BPfA).
2000	Creation of the European Research Area (ERA)
2007	Start of the Daphne III Funding Programme (2007 - 2018) European Social Fund (ESF) Programme (2007 - 2013)
2013	OECD "Gender Recommendation"
2014	Erasmus+ Programme (2014 - 2020)
2015	EP study on Gender Budgeting UN " 2030 Agenda for Sustainable Development " (2015-2030)
2016	OECD Study " <i>Toolkit for Mainstreaming & Implementing Gender Equality</i> "
2017	EP resolution " EU funds for Gender Equality " Creation of EIGE Gender Equality Index
2018	EP Budg Committee adoption of the " <i>Action Plan for Gender Mainstreaming</i> "

	<p>EU Regulation creating the “Justice, Rights and Values Fund”</p> <p>EIGE study “Gender budgeting. Mainstreaming gender into the EU budget and macroeconomic policy framework”</p> <p>EIGE final project “Gender budgeting: closing the gaps between gender equality commitments and resources in the EU”</p>
<p>2019</p>	<p>EP study on Gender Budgeting</p> <p>EIGE report Gender budgeting. Mainstreaming gender into the EU budget and macroeconomic policy framework</p> <p>EIGE Report “Gender Mainstreaming: gender audit</p> <p>OECD Study Fast Forward to Gender Equality: mainstreaming, implementation and leadership</p>
<p>2020</p>	<p>Gender Equality Strategy (2020-2025)</p> <p>European Commission communication “A New European Research Area” insisting on gender equality for researchers</p> <p>EIGE “Toolkit for gender budgeting in the EU Funds”</p> <p>EIGE Study “Advancing work-life balance with EU funds. A model for integrated gender-responsive interventions”</p> <p>EIGE Study “Advancing work-life balance with EU funds. A model for integrated gender-responsive interventions”</p> <p>EIGE equality index 2019</p> <p>OECD Study “Designing and Implementing Gender Budgeting”</p> <p>Interinstitutional Agreement “On budgetary discipline”</p> <p>Conference “The EU mutual learning programme in Gender equality. Gender mainstreaming and gender budgeting in the ESIF and national budgets</p> <p>EP BUDG Committee new “Action Plan for Gender Mainstreaming”</p>

2021

[EP resolution on the EU Strategy for Gender Equality](#)

[ECA special report 10/2021: Gender mainstreaming in the EU budget: time to turn words into action](#)

[EP CONT committee working document on ECA special report 10/2021](#)

[EP CONT committee working document on gender equality in the discharge 2019](#)

[EIGE "Gender Equality Index 2021](#)

[OECD Study "Gender and Capital Budgeting"](#)

[EU external action Gender Action Plan \(GAP\) III 2021 –2025](#)

[ESF+ Programme 2021 2027](#)

Table 1. Assessment of the impact of European Policies and Programmes designed, adopted by EU Member States, to address gender related issues

Period	Name of the policy/Programme	Gender equality as a principle	Monitoring tool	Results observed
2007 - 2013	ESF	Yes	Yes ⁸	Relatively balanced participation in labour force and gender inequality in labour force still remains ⁹ . Furthermore, the ex-post evaluation delivers piecemeal results ¹⁰ on gender equality due to the lack of monitoring tool and data collection.
2007-2018	Daphne III	Yes	No	Gender equality issues falls into the scope of many social related issues. Lack of expenses transparency in the allocation of expenses.
2014-2020	Creative Europe	Yes	No	There are no gender equality indicators tool or instruments to be used in the implementation and the monitoring of the programme.
2014-2020	Erasmus+ Programme	No	No	Gender equality is not mentioned.
2015-2030	UN 2030 Agenda for Sustainable Development	Yes	No	To be determined
2016-2020	EU Gender Action Plan II (European Commission, DG DEVCO)	Yes	Yes	The rate of gender mainstreamed programmes increased from 40% in 2014 to 58% in 2016 and to 64% in 2017.
2017	EU Funds for Gender Equality	Yes	No	Cannot impose a legal obligation on EU institution to commit to gender budgeting, but escalates the political pressure imposed on the other EU institutions to do so.

⁸ The Community of Practice on Gender Mainstreaming (Gender- CoP) was created by the European Commission with the aim of gathering experts to act as intermediaries body to implement and assess gender budgeting in practise. They produced a **EU STANDARD** which can be used both as a guide to implementing gender mainstreaming within the ESF and as a tool for assessing and monitoring existing practices.
<http://standard.gendercop.com/about-the-standard/why-a-standard-on-gender-mainstreaming/index.html>

⁹ "In a number of Member States and in some policy themes, there are considerable differences in the gender balance".

¹⁰ "Despite the increased emphasis on mainstreaming gender considerations in this programming period, there is insufficient evidence to assess the inclusion of gender equality in intervention design, objectives and target groups or concrete programme contribution to gender equality issues."

2018	'Action Plan for Gender Mainstreaming' (European Parliament, Committee on Budgets)	Yes	No	Calls for the integration of gender equality as a principle in the annual Budget and 2021-2027 MFF.
2018-2023	Gender Equality Strategy (European Council)	Yes	Yes ¹¹	To be determined
2021-2027	ESF+ Programme	Yes	No	There are no gender equality indicators tool or instruments to be used in the implementation and the monitoring of the programme. The multi-level governance of the programme can lead to a "governance fatigue"
2021-2025	GAP III : EU action plan for gender equality and women's empowerment in external relations (European Commission, DG DEVC0)	Yes	Yes	To be determined

¹¹ Art. 6 « the promotion, monitoring, co-ordination and evaluation of the process of gender mainstreaming in all policies and programmes,1 whereby gender mainstreaming refers to the (re)organisation, improvement, development and evaluation of policy processes, so that a gender equality perspective is incorporated in all policies at all levels and at all stages, by the actors normally involved in policy making"

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