



Are Women Getting a Fair Share? Gender responsive budgeting as part of program-based budgeting reform

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Summary

It is evident that utilizing gender responsive budgeting (GRB) as a tool to advance gender equality and ensure that women's needs are incorporated in policies and related budgets. Implementation of GRB can help to promote, implement and monitor gender responsive policies and programs in various sectors in order to strengthen women's economic rights and improve political and social participation. GRB initiatives, as part of the overall gender mainstreaming process have been enacted in South East Europe, and Bosnia and Herzegovina (BiH) is no exception. The reforms towards multi-year policy planning and program budgeting have been initiated, which allows for integrating the gender perspective in the policy making and budgetary processes and more effective monitoring of public expenditures. In light of this processes, and in accordance with government priorities stated in the national and local plans and strategies, there is a strong advocacy for implementing GRB in some modality. The conducted research and analysis provides evidence for lack of gender perspective within the usage of public resources. Thus, the key policy problem that needs to be addressed in BiH context is how to actually translate the gender equality policies into practice. This policy paper analyses and argues for the introduction of GRB through overall public finance management (PFM) reform within the realm of program based budgeting as a practical and sustainable mechanism.

In terms of methodological approach, gender budget analysis was conducted at municipal level (using public budget, statistics obtained through municipal representatives and work of UN-WOMEN BiH), namely Municipality of Novi Grad Sarajevo (MNGS) in order to determine to which extent is gender mainstreamed through budget cycle i.e. to which extent are women's needs incorporated in policies and related financial allocations.

1. Context and Importance of the Problem: Rational for Policy Paper

"Forget China, India and the internet: Economic growth is driven by women" (The Economist, 2006, p.3). When it comes to acknowledging the importance of gender equality and the significant role it plays within economic development, there is quite a consensus at the official level. Gender equality plays a crucial part in stimulating growth, generating employment, and contributing to capital generation and poverty alleviation. In order to integrate gender perspective in the policy, gender mainstreaming is applied. The Council of Europe defined gender mainstreaming as "the (re)organization, 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" (Quinn & Council of Europe, 2009, p.3). In societies where significant gender gaps exist, disparities persist in men's and women's access to and control of human, economic, and social assets, and gender based inequality limits economic growth and diminishes the effectiveness of poverty reduction efforts. Namely, many development strategies rely on, among other things, raising household and individual income. "To achieve the economic expansion we all seek, we need to unlock a vital source of growth that can power our economies in the decades to come... By increasing women's participation in the economy and enhancing their efficiency and productivity, we can have a dramatic impact on the competitiveness and growth of our economies," said the United States Secretary of State, Hilary Clinton (2011) at the Asia-Pacific Economic Cooperation Summit (p. 1).

However, to achieve gender equality, gender mainstreaming is not enough as practice often demonstrated. Degraef (2002) found that in spite of the clear commitment on the application of gender equality to all policy areas and programs, policy fields that relate to finance, capital markets and technical fields are still predominantly male occupied. Nevertheless, the acceptance of gender notion within the economy heavily picked up over the past decade. Recently, Prime Minister of Britain, David Cameron (2012) promoted the increase of the number of women in roles of responsibility in industry by saying that "It's about quality, not just equality... if we fail to unlock the potential of women in the labor market through equal access to resources, we're not only failing those individuals, we're failing our whole economy" (p.2).

The integration of gender perspective into public policies implies that it requires financial resources, which in fact is GRB concept. UN Women define GRB as the "government planning, programming and budgeting that contributes to the advancement of gender equality and the fulfillment of women's rights" and it entails identifying and reflecting needed interventions to address gender gaps within policies, plans and budgets at all government and administrative levels. Therefore, in order to bridge the concepts of gender equality and budget, and introduce women as both contributors and users of public budgets, the notion of GRB was introduced as a way to close the gap between gender responsive policy making introduced through gender mainstreaming and budget planning and allocation processes. Thus, GRB requires a more transparent, effective and targeted use of public resources – i.e. being responsible for outputs achieved with public resources, without which, the gender mainstreaming could remain only a tool expressed on the paper.

Although principles of performance budgeting, gender equality and GRB are quite universal declaratively, practice demonstrated poor implementation in BiH. The low presence of women in the structures of decision-making, their increased unemployment and economic inactivity



in a period of economic recession, their progressive lagging behind in the level of vocational training are not considered as a causal combination of circumstances or a free expression of choices. The examples presented in this proposal depict the marginalized position of women within all segments of society, and thus it is safe to say that legal commitments to women's rights and gender equality often remain on paper and do not properly translate into action and equitable development through just usage of public resources. Although roots of these problems often include the examination of social and cultural factors, concern with disparate opportunities was evident, and it was to be addressed through making sure that resources are shared equitably between men and women. Performance or result-oriented budgeting has been introduced in BiH, but it failed to adequately integrate the gender perspective through GRB. Thus, PFM mechanisms and budgets often reinforce gender gaps, which are particularly notable in the areas of political representation and participation of women in decision making process including the control over public funds, employment and social protection.

Given that program budgeting is just starting to be introduced at municipal level, timing for including gender within budget is very rewording and presents a unique opportunity to present GRB as an integral part of the PFM reform. This will limit an institutional rejection and significantly increase the absorption capacity.

1.1. The Policy Problem and Research Objective

The key priority problem that needs to be addressed in BiH context is how to actually translate the gender equality policies into practice. "There seems to be a direct and logical link between performance based budgeting and GRB as both focus on results and a broader cycle of policy planning, implementation and evaluation. Enhanced accountability is an issue for both approaches. Equally, better governance structures, transparency, enhanced participation and democracy are elements in both (Klatzer, 2008)". However, in BiH, although gender equality principles often exist on paper, they do not properly translate into action and equitable development¹. Since program budgeting reform is underway in BiH, and budget reflects the values, the notion of power and political, economic and social priorities in the community, this policy paper advocates the implementation of gender equality through program budget as an attractive model for GRB implementation at local level.

The conducted research and analysis provides evidence for lack of gender perspective within the usage of public resources. This policy paper advocates for explicit policy interventions at each necessary step within the existing performance budget process (as part of the Laws on Budget) – 'budgeting in 10 steps' model – in order to integrate the gender perspective. This approach would integrate gender mainstreaming into practice through applying adequate public budgets to address specific needs of women and men equally i.e. merging policy gender mainstreaming and the budgetary process in order to address the existing gender gap.

Furthermore, the international experience demonstrated that gender responsive budgeting initiative cannot take place without comprehensive commitment from gender advocates from various domains, including official gender mechanisms, institutional mechanisms for public planning and financial management, gender equality CSO groups and support from donor community. This research will also address the need for harmonized approach to implementation of gender responsive budgeting with involvement of all necessary actors in the transition process toward market oriented parliamentary democracy.

¹ In 2007, UNDP's National Human Development Report estimated that over 50% of the population was socially and/or economically excluded (health, education, employment and/or participation in society), with gender adding a transversal and intrinsically related layer of vulnerability (UNDP, 2007). Furthermore, BiH has the lowest percentage of women participating in the labor market in SEE region, only 35% (UNDP, 2010).

1.2. Overall Methodology

This policy paper is based on the gender budget analysis in order to determine to which extent is gender mainstreamed through budget cycle i.e. to which extent are women's needs incorporated in policies and related financial allocations. In terms of methodology for gender budget analysis the research was based on the *GRB model of Commonwealth Secretariat*², grounded in comparison between input i.e. resources used and output results, and depicted through gender segregated approach in order to determine the impact on gender gap in the specific sector (consistent with approach proposed by the Steering Committee for Equality between Women and Men (CDEG) within the Council of Europe). In line with this methodology, the findings are detailed through the analysis of the budget in terms of gender equality which focuses on sectoral budget analysis of two areas in terms of users of public finance resources in accordance with the budget execution for 2011 (in line with the available data)³.

Findings depicted in this policy paper are focused on the municipal/local level of government, namely Municipality of Novi Grad Sarajevo (MNGS) due to its close proximity with citizens (i.e. responsible for ensuring the necessary services that have the heavy impact on the lives of people within the community including education, health, and heavy contact with the real sector). The case of the MNGS is chosen for several reasons:

- MNGS is the largest municipality in BiH, and it consists of highly developed and less developed communities. For this reason, introduction of GRB through PFM mechanisms in this municipality can be used as an excellent example for similar initiatives in different municipalities across BiH.
- MNGS has initiated the process of introducing gender equality aspect into policies and documents but it is still lacking the gender responsive budget initiative. Thus the timing for policy research was excellent as this helped 'sell' the policy proposal initiative in order to conduct the necessary budget analysis and obtain the needed data.
- MNGS initialized the process of introducing program budgeting as part of the country-wide PFM reform ('budgeting in 10 steps' model). Although specific changes did not take place yet, capacity building and training has been started. Furthermore, given that program budgeting has just started with introduction at municipal level, gender perspective can be 'seamlessly' incorporated into the existing PFM reform and 'budgeting in 10 steps' model. The proposal analyzes the integration of gender with an ongoing program budgeting PFM reform, and bases the policy suggestions and implications on this model. Thus, the timing for this policy proposal presents a unique opportunity to present GRB as an integral part of the PFM reform, reaching the objectives of gender equality in timely and effective manner and significantly contributing to its sustainability.

Although almost every question within the authority of the municipality can be viewed through a gender lens, not all of them are equally important. Thus, the research focused on the areas that have a significant impact on the quality of everyday life of women and men in the local community⁴:

1. public finance subsidies for increasing capacities related to business initiatives and economic incentives including skills and knowhow for SMEs and market competitiveness, incentives for start ups, and
2. ii) women/girls in sports – individual and organized activities through institutionalized schooling system and official sport organizations.

² The analysis involves sectoral analysis of chosen areas in accordance with the available data, in particular the gender analysis of budgets in terms of users of public finance resources in accordance with the budget execution for 2011. Gender budget analysis was conducted based on the GRB model of Commonwealth Secretariat, which is based on the comparison between input i.e. resources used and output results with a gender sensitive lens, including gender segregated approach in order to determine the impact on gender gap in the specific sector. The Commonwealth Secretariat GRB budget analysis model includes analysis of inputs: amount of financial resources awarded, what is the target group and program objective, what are the planned activities and their gender impact; vs. analysis of outputs: what are the actual consequences / results of the implemented activities with a gender dimension, are the results as expected, what is the impact of the results on man and women and is it equal. In the end, the Commonwealth Secretariat model focuses on the impact of the utilized resources i.e. did the distribution of funds reach the expected results in terms of achieving or contributing to gender equality / gender mainstreaming in practice?

³ Data is obtained based on the public budget document, support of municipal representatives, as well as support of UN Women BiH – who initiated numerous GRB interventions at municipal level in BiH.

⁴ These areas have been defined with municipal representatives; these areas are also analyzed through the work of UN Women and their budget analysis at municipal level.



1.3. RESEARCH LIMITATIONS

This applied research proposal is faced with several constraints that influence the results and corresponding recommendations, most significant being:

- Missing data – gender budget analysis requires data on the users of the public budget (i.e. who receives the funds) which was in many instances difficult to obtain (specific questionnaires and research activities were carried out in order to bridge this gap).
- Difficult argument to 'sell' among some of the municipal budget users as budget is regarded as gender neutral collection of numbers on revenues and expenditures (and this stereotype still exists very much within the public administration institutions). Although MNGS officials are quite progressive in this area, through discussions it was evident that these preconceptions may affect the openness to policy proposals based on research results.
- Policy implications proposed as research result will require long-term commitment of local government (all parts of local government including finance sector) and users of budgetary resources. Lack of awareness and capacities related to program budget and gender impacts of proposed programs within the budget framework may hinder proposed policies that connect budget cycle and gender equality. Furthermore, lack of institutional memory due to frequent political, disruptive changes poses a challenge for ensuring devotion to tackling the issue of gender inequality and putting the proposed policy changes into practice.

1.4. Policy Paper Structure

This research is structured in four main sections:

- Introduction – detailing the context of the policy problem, statement of interest and objective of the policy paper, methodological approach and limitations of the study, as well as the structure of the paper.
- Problem Description – detailing the overall problem description (past and most recent developments), model that illustrates the cause and effect relationships between the public resource distribution and gender gap (depicting the policy problem), a rationale that illustrates the urgent need for action through the description of how the current policy approach is failing.
- Policy Options – detailing the future of the problem through predictions of what will happen if certain solutions are adopted along with corresponding constraints and feasibility of each proposed option. This section also argues for one specific policy solution against the others presented based on the evidence based decision process explored in this paper.
- Conclusion and Recommendations – detailing how to implement the chosen solution i.e. roles of different actors in the process given various constraints (budget, capacities, time-frame, political feasibility etc.)

2. Problem Description

2.1. BiH Contextual Background: Past and Present of the Policy Problem

Strapped between 20th century that's marked with permanently engraved suffering from destructive war and globally oriented 21st century, BiH continues to evolve. Throughout its recent history, it went from its position within the federal system of the SFRY, through the devastating impact of the 1992-95 war, post-war state of independency, rebuilding and stabilization, to its current state which can perhaps best be described as transitional. As the result of war and due to slow reconstruction and development after the war, BiH is a disintegrated community of municipalities, cantons, two entities, one district and a distant central government. This is evident in its political, social and economic structures, and PFM composition is no exception. Serious fiscal problems continue to challenge the development of BiH, exacerbated by uncontrolled spending, poor economic conditions, as well as the current global economic crisis.

As is the case throughout the Western Balkans, BiH has started its EU integration process and is on the path toward accession. This, among other factors, is leading to public sector reforms, one of its key dimensions being the strengthening of the PFM towards a more complete, accountable and transparent financial resources planning and management and gender responsive PFM mechanisms. Bearing in mind that the public budget is largely made up tax payers' money, it is necessary that the budget, in a simple manner, represents the results of the allocation and budget consumption through easily identifiable and measurable outputs. Based on the output, the quality and effectiveness of specific government initiatives is measured, helping determine whether the government's decision to invest in certain program reflects an adequate value for consumed financial resources. Accordingly, the basic principles of effective mid-term budgeting include establishing fiscally and economically affordable budgets, allocation of scarce resources on the most important economic and social policy priorities, and focusing on the results of the allocated budget. The best practice in medium-term budget planning process uses program or performance (result-oriented) budgeting as a basis for streamlining the decision making regarding budget policy and the allocation of budgetary resources. Program budgeting presents budget information in a manner that clearly connects the budgetary resources with the ultimate results of government policies, and promotes accountability for resources used, services rendered, and end results achieved.

Although hindered by state of ineffective and complicated administration, significant PFM program budgeting reform progress has been made in BiH. Starting in 2005, BiH engaged on the path of series of reforms in the budget process which involved State, two entities, District Brcko, cantonal and in some cases municipal level governments' institutions, in order to strengthen the planning and management of public funds and ensure that public finances are increasingly effective at delivering the national priorities of the governments in BiH. The reform institutionalized the medium-term budgeting approach based on performance (program) budgeting and adopted 'Program budgeting in 10 steps' model that starts the budget cycle in January and ends in December of each calendar year (DFID 2011)⁵. Although reform resulted in significant progress throughout BiH, systematic technical assistance was not provided to the municipal level, which is why the reform at the municipal level is at its infancy. While the Law on Budgets in FBiH mandates the implementation of program budget, most of the municipalities still prepare a traditional line budget that is not based on programs and performance targets, and does not follow the 'Program budgeting in 10 steps' model. The capacity at all

⁵ The 'Program budgeting in 10 steps' reform institutionalized the principles of effective planning, allocation and monitoring of the budget, and as part of this model, the government adopted a budget calendar detailing a medium-term approach to planning and budgeting based on performance (i.e. programme budgeting), which links budget to implementation of government policy priorities. The 'Program budgeting in 10 steps', outlining the timeline and key budget steps for program budgeting and medium-term budget planning is provided in Annex I.



levels, and especially at municipal level is weak – municipal representatives and budget users are often not even familiar with program budgeting concepts, and if they are, they lack implementation skills, knowledge and experience.

Along with public administration reform initiatives, notion of gender equality came into light. Over the past decade, the issue of gender equality emerged on the agenda of BiH institutions, invigorated by politicians, civil society, international organizations and EU community. In 2007, UNDP's National Human Development Report estimated that over 50% of the population was socially and/or economically excluded (health, education, employment and/or participation in society), with gender adding a transversal and intrinsically related layer of vulnerability (UNDP, 2007). Women with disabilities, single mothers and girls suffer severe social exclusion in an environment where scarcity of resources is combined with a patriarchal belief system. This results in women becoming second-class members of communities. These remarks, along with the fact that BiH has the lowest percentage of women participating in the labor market in SEE region, only 35% (UNDP, 2010), signaled a growing problem that needs to be addressed systematically, one of the effective and sustainable mechanisms to do this is through equitable distribution of public finances and resources aimed at progressive, gender sensitive development.

The most significant shift in the establishment of gender mechanisms in BiH happened when Centers for Gender Equality in both entities were established (in 2000 and 2001 respectively). Adoption of the Law on Gender Equality at the State level in 2003 consolidated gender equality policy measures, regulating, promoting and protecting gender equality, and guaranteeing equal opportunities and rights in the society. The adoption of the law was followed by establishment of Central Agency for Gender Equality as an umbrella institution for the harmonization of initiatives for gender equality in public and private sphere in BiH. The Law specifically calls for enactment of measures and activities of Gender Action Plan of BiH (GAP) by providing necessary budget allocations. In addition to national policy framework, BiH ratified the CEDAW in 1993, which, in line with Beijing Platform of Action entails usage of necessary budget resources in order to implement gender equality. Furthermore, European Charter for Equality of Men and Women at the local level provides basic principles of equal rights treatment, restricts discrimination, and calls for equal participation of men and women in decision making processes and equal use of public resources as a prerequisite for the democratic society. Gender committees were formed on all levels of government – state, entity, cantonal and municipal level. However, similar as with PFM reform, most of the committee staff has no capacities to support gender mainstreaming especially at municipal level, and this is further reinforced by the elections that occur every four years and resulting in complete staff turnover.

Having said this, although gender equality and mainstreaming legislation exists, the ground level implementation remains weak, and evidence of this is noted in many segments:

- a) Women make 51.7% of the total estimated number of population capable of working, and only 35.6% of them are employed, (the lowest percentage of women's participation in the SEE);
- b) Women are represented in single digits as members of supervisory or management boards of public companies;
- c) According to the Gender Gap in Income Survey, for each employed woman, there are almost two employed men;
- d) There is a problem related to lack of quality, accessible and affordable public services

such as nurseries and kindergartens in order to support working mothers, which indirectly decreases the number of employed women who withdraw from the labor market to care for children, and this pattern of behavior is transferred within the family;

e) In the course of 2010 general elections, out of three members in the Presidency there are no women, the president and prime minister in RS are both men, prime minister in FBiH is a man;

f) Analysis of 2008 municipal elections demonstrated that only 11 out of 113 political parties proposed larger number of women than men candidates, while out of 140 municipal mayors, there are only 4 women elected (CEDAW Report 2011).

Thus, despite the establishment of relatively progressive legal framework in the field of gender equality in BiH, which is endorsed by the authorities, gender inequality is present at all levels of society.

Addressed by this proposal is one of the key factors that contributes to marginalization of women from economic, political and social inclusion and reinforces already existing gender gaps: unequal distribution and usage of public funds and resources. Budgets in BiH by large, do not integrate specific gender objectives, which means that gender equality policies are not translated into practice with necessary budget allocations. As the baseline problem, there is no adequate analysis of the budgets with respect to gender perspective, so the assumption remains that the public resources are provided in gender neutral way – which is almost never the case. Specifically, at the time of preparing this proposal, not one gender budget analysis at any level of government is transparently published, although some pilot gender budget analysis for particular sectors have been initiated – mostly at municipal level where problem is surfacing and endangering the economics of already impoverished communities⁶.

2.2. Public resource distribution and gender gap: Key Research Findings

In order to illustrate the beneficiaries' gender gap when it comes to usage of public resources, gender budget analysis was performed. As the result of the review of available literature, including the MNGS development strategies and sectoral strategies and interviews conducted with MNGS officials, three sectors were chosen for gender budget analysis⁷:

- Agriculture sector;
- Center for Business Development as a core business competitiveness body in MNGS;
- Sport related activities supported by MNGS.

The GRB analysis in the identified sectors pointed to an alarming gender imbalance in the use of public resources and finances through a budget allocation process – namely within the agriculture and sport sectors. Below are key findings within sector.

2.2.1. Stimulus for Agriculture

Although agriculture makes up a relatively small segment of the real economic sector given that MNGS is predominantly composed of urban areas, in order to promote small businesses through improved farming system and the transformation of the economic and sustainable farms that make available resources and capacities producing for the local market, MNGS takes the agricultural development as a very important segment. This is clearly visible through the analysis of policies and strategic development documents related to agriculture, which in-

⁶ Budget analysis were mostly donor driven, namely through the work of UN Women, and SNV within selected municipalities. UN Women also supported gender budget analysis and MNGS level.

⁷ Selected based on availability of data; all produced analysis is based on the publicly available documents, including development strategies, public budget, and consultations with municipal representatives. This work was also supported by UN Women.



clude Local Economic Action Plan (LEAP) 2010-2012, Road Map for MNGS Development 2009-2013, MNGS Development Strategy till 2015, and MNGS Gender Action Plan 2011-2015.

The development of small farms (the agriculture advancement solution predominantly proposed in mentioned development documents) would ensure an existential income for agricultural producers, and thus raise the level of employment in the agricultural sector in ONGS. The program of financial incentives for the promotion of agricultural production is aimed at empowering farmers and strengthening the process that connects the production, processing and marketing of agricultural products, increasing the arable land, reducing the rate of unemployment and boosting rural development, enhancing small greenhouses suitable for family existence, increasing competitiveness by providing awards to the best agricultural producers and increasing skills, expertise and knowhow for agricultural production. Below is the brief description of key projects with corresponding usage of public funds with a gender analysis of public budget beneficiaries.

Project/Program Initiative	Total Number of Beneficiaries	Beneficiaries by Gender	Public Budget Spent (BAM)
1. Greenhouse Development Project	25	4 F / 21 M	60,000.00
2. Capacity building through Organized Training for Agricultural Production	48	5 F / 43 M	10,000.00
3. Medicinal Herbs and Beekeeping Project	190	90 F / 100 M	6,000.00
4. Economic Stimulus for Agricultural Enhancements Program	238	13 F / 225 M	110,000.00
5. Farmers Competitiveness Program – Awards for best agricultural producers	24	4 F / 20 M	15,000.00
Total Budget			201,000.00

While this is only the outcome statistics and no information is available regarding the application statistics – i.e. how much women versus man farmers applied for the agricultural financial stimuli, the problem is much deeper given the overall setup of the assistance. The kind of assistance that only allows the farm owners to receive the financial support is not adequate in terms of reducing the economic gender gap, given that women by large are not farm owners. In line with these pre-conditions, it is expected that the outcome statistics demonstrates alarming gender gap.

As per tabular representation of agricultural distribution outcomes, a total of 25 greenhouses were subsidized within MNGS, out of which 21 subsidies for greenhouses were given to men farmers while 4 subsidies for greenhouses were awarded to women – amounting to only 16%. Out of 238 claims for agricultural subsidies filed in 2011, 13 requests were filed by the female

farmers – which is only 5.46%. Although there are no statistics that clearly gives an indication of the total number of women who are eligible to apply for incentives in line with call criteria (women farm owners and/or land owners), a reasonable assumption is that it is certainly greater than 5%. As part of the Farmers Competitiveness Program, the total of 24 farmers were supported through public budget, of which 20 were male and 4 were female farmers (16.7%). Furthermore, in the field of education related to the sector of agriculture, training was attended by a total of 48 participants, of which 43 participants were male, while only 5 were female participants (10.4%). This information does not breed confidence that the gender gap in this sector will decrease as female producers or potential producers are not attending training courses aimed at increasing capacities and consequently market competitiveness.

In general, out of total 192,936.00 BAM spent in 2011 budget, 551 farmers received direct subsidies, out of which 116 (21%) are female farmers and 435 (79%) are male farmers. Given the much greater presence of men in the agricultural sector for which the public budget is allocated (79% men), gender imbalance is obvious and entails significant disbalance in access to and use of public funds, which deepens the gender gap in this field.

2.2.2. CENTER FOR BUSINESS DEVELOPMENT

The problem of unemployment and poor economic development is one of the biggest problems in Bosnia and Herzegovina, and is certainly present in the local communities. Of the total working population in MNGS, 20% are unemployed, of which 61.80% are women. The deeper analysis reveals an imbalance between the level of education and participation in the labor market, especially in the youth sector. The research indicates that the ration of males and females with higher education is 1:1.7% in MNGS (MNGS Working Group, 2008, p. 12-14). However, although there is a much higher index of highly educated women, they are not represented in the labor market. When it comes to permanent or temporary employment, 34% of men were employed during the study, compared with 27% of female. It is interesting that, in the distribution according to age, the number of unemployed women increased as their age increased, while the number of men have a reducing trend - which suggests that men over time are being included in the labor market, while the number of women is continuously decreasing, probably due to associated unpaid labor and societal stereotypes still very much present.

According to a survey conducted by MNGS, 45% respondents believe that the biggest employment obstacle is lack of adequate employment programs, out of which 28% consider that the main problem is the mismatch of educational programs with the labor market needs, while 73% believe that the problem lies within the institutions responsible for creating and implementing employment policies.

With these indicators, the need for the creation of institutional mechanism for improving employment skills is more than obvious. Thus, in 2005, the MNGS Business Development Center (hereafter 'the Center') was created in close cooperation with business community. The mission of the Center includes providing support to small and medium sized enterprises and start-ups in business in terms of knowledge and expertise, continuous training of human resources, technical assistance through increasing capacities, affirmation of young professionals within municipality, supporting the development of business enabling climate and promoting the empowerment of women. Bearing in mind that 84% of young professionals believe that the increase of knowledge about small businesses, self-employment and the labor market competitiveness will significantly improve the labor situation, the opening of such Center is of utmost importance.



In terms of beneficiaries of the Center's services (associated with technical assistance and capacity building provided by the Center), female clients constitute 59%, while male clients constitute 41% of the customer base. This is close to even usage of resources reflects the actual need for this type of services within MNGS. From the analysis, it is concluded that this positive usage of services by the female population is mostly due to:

- a) The gender structure of population in the area of MNGS is characterized by 46.7% males and 53.3% women, and thus it is to be expect a proportionately larger share of women beneficiaries;
- b) As a result of the war, most war veterans are men, and women are forced to be more agile in economy and job market, and assume a more important role in the family budget;
- c) The number of registered unemployed people out of the total working population is 20% and 61.80% are women (indicating the imbalance of women in the labor market).

Bearing in mind that the Centre has not been established as part of affirmative action to improve the business capacity of women, but is focused on users who need this type of service (irrespective of gender), the results indicate that the Center reflects the real needs of the market, capturing the ones that need the business type services the most.

Furthermore, in terms of attendance of specific training courses/initiatives, the gender segregated data is displayed below.

Training Courses	M	F	Total
English Language	10	23	33
Start-up of the NGO	10	14	24
Computer Skills	6	15	21
Volunteering Skills	7	13	20
Start Your Own Business	7	11	18
Business Plan Development	2	1	3
Open Days for Business Start-Ups	8	8	16
Professional Development	24	36	60
Meeting of the Business Manager	81	35	116

Taking the gender structure of all these activities implemented through above listed training projects/activities, the ration of female versus male attendance is 156 females compared to 155 men. However, although the total number of users by gender is similar, the greater participation of women in all activities related to the improvement of the capacities for business development is evident, while majority male participants are accounted for in the Business Manager Meeting – an activity which brings together already existing entrepreneurs. This reinforces the already elaborated problem of poor women participation in the real sector economy.

2.2.3. Sport

The sport sector has been traditionally considered as a controversial topic in terms of gender equality, while at the same time, gender inequality in this sector is easily noticed. According to the MNGS Youth Strategy Survey (MNGS Working Group, 2008, p. 55), 40% of youth spends

their leisure time in sport related activities, out of which 80% are male and 20% are female participants. The support for organized sport associations within MNGS is implemented through the CSO sector. The MNGS budget allocation for CSOs in 2011 amounted to 300,000 BAM, out of which 164,800 BAM (54.93%) was for sports related CSOs. The sport related projects carried out by the CSOs in 2011 are classified in the following areas:

- Project promoting sports within MNGS;
- Sport competitions organized through elementary schools within MNGS area;
- Supporting women in sports initiatives.

Below is the list of all the sport related project supported through CSOs in 2011, disaggregated by gender (type of club – male, female, mixed club), the project for which the funds are granted, and corresponding public budget allocation.

Project/program initiative	Name of implementing organization/ association	Title of club by gender	Public budget spent (BAM)
1. Organization of international tournament „SARAJEVO OPEN 2011“, from 27 to 29 May 2011	Volleyball club (association) „FANTOMI“ Sarajevo	Male	15,000.00
2. „Children and youth in competitive sports“	Academy of Marshall arts „FIHHTING NOVI GRAD“ Sarajevo	Male	5,000.00
3. Sport as alternative in 2011 „Yes to sport No to drugs“	Marshall Arts Club (association) „GAZIJA“ Sarajevo	Male	7,000.00
4. „For sport against juvenile delinquency“	Taekwondo Club (association) „TAEKYON“ Sarajevo	Male	7,000.00
5. „Healthy kinds are our future“	Karate club (association) „OLIMP“ Sarajevo	Male	7,000.00
6. Volleyball school for students of primary schools of Novi Grad Municipality – with an idea to popular volleyball sport	Volleyball academy „SMEČ“ Sarajevo	Mixed	7,000.00
7. “School of handball Sarajevo”	Handball Club (association) „OLIMPIK“ Sarajevo	Mixed	10,000.00
8. “Hikers marathon for mountain rescue 2011”	Mountaineering club (association) „Zlatni ljiljan“	Coed	3,000.00
9. Activities with young people, purchasing sports equipment and accessories	Association for Sport and Recreation of disabled people, Novi Grad Sarajevo	Male	5,000.00
10. “Beat black vices by increasing young athletes for 20%”	Karate club (association) „IPPON“ Sarajevo	Male	2,800.00



11. „Sarajevo Peace Tournament – interreligious taekwondo meeting“	Taekwondo club (association) „NOVI GRAD – Sarajevo“	Coed	7,000.00
12. “Summer football camp – Ponijri - Kakanj 2011“	Association „YOUNG BOYS“ – school of football Sarajevo	Male	3,000.00
13. „Secure child – safe future “	Association jiu jitsu club „BUDOKAN“	Male	7,000.00
14. „Open Day: Say yes for women’s football“	Association „Sarajevo football club 2000“ Sarajevo	Male	10,000.00
15. “Premiership league is our goal“	Association football club „BISER“ Sarajevo	Male	10,000.00
16. “Section of aircraft modelers“	Association Avio club „Kрила“ Sarajevo	Male	5,000.00
17. The development of table tennis through working with certain groups of society	Table tennis club „Novi Grad“ Sarajevo	Mixed	6,000.00
18. “2nd International football cup Novi Grad Sarajevo“	Association football club “Novi Grad“	Male	10,000.00
19. “9th International memorial tournament “Braca Kadic“	Association Marshall arts club „Braća Kadić“ Sarajevo	Male	7,000.00
20. Development and population of women’s sports, promotion and recognition of top results in rhythmic gymnastics	Association rhythmic gymnastics club „Olimpik“ Sarajevo	Female	5,000.00
21. “Let Novi Grad be a city“	Association of friends of sports and culture „Alipašino polje Novi Grad – ALPONG“ Sarajevo	Male	10,000.00
22. „Sarajevo Aquatics 2011“	City club of water sports Sarajevo	Mixed	5,000.00
23. Project for co financing of „Aladža-A“ table tennis club	Association table tennis club „Aladža-A“ Sarajevo	Male	4,000.00
24. “By learning and sport into a bright future“	Association taekwondo club „Zlatni ljiljani“ Sarajevo	Male	7,000.00

Table above illustrates that 24 sports associations are users of public budget, out of which 19 are male sports associations, 4 coed sports associations, and only 1 female sport association. If we look at the budget, (total for 2011 was 164,800.00 BAM), 19 male sports associations used 134,800.00 BAM, whereas only 5,000 BAM were spent on a woman's sports associations, and 25,000 BAM on coed sports associations. In percentages, these facts are staggering in terms of gender equality: only 3% of the municipal public budget that is given to the sports development through the SCO sector is allocated for women's sports association in comparison to 81.8% of the budget that is given to male sports associations, and 15.2% of the budget that is given to coed sports associations.

Given that the MNGS Youth Strategy Survey (MNGS Working Group, 2008, p. 22) also captured public concern when it comes to the management and maintenance of sports facilities (60% of the respondents believe that the conditions for the development of sports and sports facilities offered could be much better, while almost a quarter of the respondents, 22% think that the conditions are extremely poor), a public enterprise, LOKOM Ltd. was founded in 2009 with a mission to systematically manage and maintain facilities for sport and culture in the territory of MNGS. The company was founded as a socially responsible enterprise and an active contributor to the prosperity of the community. However, the analysis of the activities within LOKOM Ltd. also demonstrates a gender imbalance. The budget awarded to LOKOM in 2011 amounted to 500,000. BAM. Given that the LOKOM employs 27 workers, of whom 21 men (77.8%) and 6 women (22.2%), gender analysis of expenditure from the municipal budget indicates that out of 500,000 BAM, 389,000 BAM was spent on men, while 111,000 was spent on women as direct beneficiaries of budgetary resources within the organization. The LOKOM is responsible for managing and ensuring adequate sport related support for citizens of all sport facilities within MNGS – amounting to 30 million BAM. It is estimated that the sport facilities are used by 50 sport groups out of which 79% are male and 21% are female (the mere fact that the main sports hall Ramiz Salcin Dobrinja are used by 11 male and 2 female sport associations, of which male clubs have approximately 1600 members, while female clubs number approximately 200 members is very alarming). This indicates a strong gender inequality in the use of public resources in the field of sports.

2.3. Inadequacies of current policy approach

Despite the clear commitment to gender equality and gender mainstreaming of all policy areas and programs, the impact to improving gender equality in practice remains weak throughout BiH. Inequitable distribution of public resources continues to deepen the present gender gap within MNGS. Even though MNGS made significant progress in introducing gender equality (and is certainly a champion in this process at the local level), the principles of gender mainstreaming are not translating into practice as the analysis demonstrates. Thus, the current policy framework for gender equality is failing and gender gap is increasing. The additional budget funding is not always the answer, and especially not during the severe economic recession. Rather, a restructuring of the budget must be conducted in a way that takes into account the principles of gender equality.

Specifically, in MNGS, we have a situation where the gender equality framework is adopted and budget framework is adopted, but these two policy frameworks are not communicating in practice – although theoretically the overall framework connects them. Specifically, apart from gender equality conventions that BiH signed and that trickle down to local level as



well, specific gender equality policies were adopted at municipal level. This is mostly visible in the development of Gender Action Plan and other accompanying documents which provide a roadmap for implementing gender equality within the set timeframe. However, in reality the Gender Action Plan is not connected with PFM cycle on a regular basis (with exception of few adhoc activities being financed through the public budget), which means it cannot be implemented properly. Without adequate and sustainable budget, and reinforced by social stereotypes which are far from equitable, the gender gap increases. Despite equal rights and liberties, citizens' are diverse in their physical, material, social, economic and cultural traits and consequently have different opportunities to convert their formal rights in substantial freedoms (Stojanoska, 2008, p.34). Thus, although the gender neutral formula entitled women and men to same rights and liberties within MNGS, and although MNGS proactively recognized the gender gap and created a Gender Action Plan to combat inequalities, they continue to exist in key areas of life within the local community and they are visible in the conducted analysis – self employment within agriculture sector, business and market competitiveness and access to labor market, and participation in sports as one of the key factors in psycho-physical well being. The low presence of women in the decision-making structures, their increased unemployment and economic inactivity in a period of economic recession, their progressive lagging behind in the level of education or in vocational training are not considered as a causal combination of circumstances or a free expression of choices. Although roots of these problems often went back to examination of social and cultural factors, concern with disparate opportunities was evident, and in large it should be addressed through making sure that resources are shared equitably between men and women – which is what current policy framework is failing to do. Rather than placing the norms of gender equality within the budget structure, although they clearly require resources, gender equality policy frameworks were developed and ad-hoc gender equality initiatives are carried out.

It is evident that even at this stage, the MNGS realized the potential challenges if gender equality is not supported by the budget cycle and integrating gender concepts within the budget making policy framework. They are increasingly engaged in gender issues and potential solutions, as well as capacity building efforts within MNGS. Although significant results are being achieved through a gender progressive policy framework, key challenge in this process remains – gender needs to be considered within budget making decisions since that is where the resources are divided and the current budget preparation process within MNGS does not substantially reflect the gender dimension.

3. Policy Options

There are different policy options that support gender equality through adequate distribution and access to public resources which leads to reduction of gender gap. Specifically, there are two key policy options worth discussing and treated in this policy paper:

- Integration of gender and GRB within the existing budget preparation process in 10 steps, and
- Introducing GRB through specific program level initiatives and interventions without an overall integration with budgetary system and performance budgeting as a baseline concept.

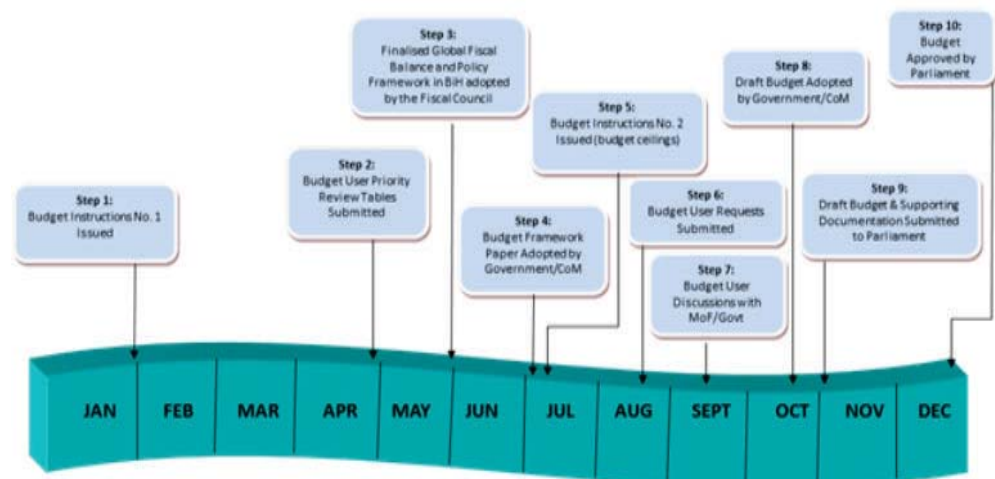
3.1. Integration of GRB within the existing budget process

Since budget reflects the values, the notion of power and political, economic and social priorities in the community, advocacy of gender equality through the budget is an attractive model for GRB implementation. “There seems to be a direct and logical link between performance based budgeting and GRB as both focus on results and a broader cycle of policy planning, implementation and evaluation” (Klatyer, 2008, p. 12-13).

United Nations Entity for Gender Equality and Empowerment of Women (UN Women)⁸ supported the GRB implementation in BiH over the past years. Their work, along with work of other donors/organizations and related projects, is very significant – both in terms of supporting the policy formulation for GRB as well as initiation of gender budget analysis, and gender mainstreaming interventions. Although initial contact with international donors, namely Department for International Development (DFID) that supported the PFM reform was established⁹, no concrete conceptual steps were made toward the implementation of GRB with key financial mechanisms in the country – Ministries of Finance (or Finance Sectors for municipal level) as well as key directorates and line ministries (some steps forward were achieved at Entity and State level – such as inclusion of GRB within the introduction of the Budget Framework Paper, but none at local level). Thus, despite the momentum achieved with the program budgeting reform, link between program and gender budgeting which would address the needs of all citizens equitably remained weak – and this is especially true at local level where even the program budgeting reform is in its initial stages.

Policy option which would integrate GRB within budget preparation process requires minimal policy changes within the existing budget preparation and decision making processes, although intensive capacity building is necessary – which is slowing down the current pace of implementation even of the existing policy framework. Specifically, gender equality would be supported through concrete programs, which means that they need to be combined with budget allocations, and thus be part of the systematic PFM reforms. This would require the amendment of standard budget preparation templates and introduction of gender responsive approach. Below is a program budget process in 10 steps, with first step starting in January and tenth step ending in December of each year (DFID 2011).

MEDIUM TERM BUDGET PLANNING AND PREPARATION IN BIH IN 10 STEPS



⁸ Previously United Nations Development Fund for Women (UNIFEM)

⁹ Cooperation through the Strengthening Public Finance Management III Project, 2009 – 2011



These steps are interdependent - each step is dependent on the different actors / institutions that provide relevant information make recommendations and/ or make decisions in all key stages of the process, in accordance with the budget cycle. Accordingly, effective and successful medium-term planning process requires dedication and discipline of all participants in the budget process.

In order to introduce gender component, the following policy steps within the budget preparation process would need to be directly amended:

- Step 1: Budget Instruction No. 1 and Step 5: Budget Instructions No. 2
Ensure that Budget Instructions No. 1 and 2 are updated to reflect the gender dimension. Specifically, as part of the instructions, it should be clear that gender equality is an important criteria for funds distribution based on the proposed programs from budget users. Furthermore, tables for submitting program proposals should include gender aspects, namely request that the project results provide gender segregated data, and that gender sensitive indicators are included as a measurement of achieved results i.e. introduction of gender sensitive performance indicators for each program proposed by the budget user. This would require all budget users to track gender segregated data for their proposed programs – and this is necessary for conducting budget analysis and necessary step for understanding and improving the gender gap.
- Step 4: Budget Framework Paper adopted
Budget Framework Paper should include a section on GRB, which means that the gender equality issues and participation of women is considered in the process of long term economic planning.

Although other steps require modification in terms of process and capacities, there are no direct policy changes. Specifically:

- Although there are no specific policy changes for Step 2: Budget User Priority Review Tables Submitted, it is important to ensure that budget user priority review tables submitted by the Ministry/Sector of Finance are based on gender equality dimension among other criteria.
- Similarly, with Step 6: Budget User Requests Submitted and Step 7: Budget User Discussions, although there are no specific policy changes, when discussing program proposals and determining final list, gender dimension should be taken into account.
- As part of the standard supporting budget documentation, budget user priority tables are already supposed to be submitted within the current program budgeting process – conducted within Step 9: Draft Budget Supporting Documentation Submitted. Consequently, the with this policy change mandating the inclusion of gender aspects within the program budgeting process, budget user priority tables would need to reflect the gender component (reflected within Step 1, Step 4, Step 5).

The proposed policy changes within the current budget policy preparation framework demonstrate that gender responsive budgets are not separate budgets for women, but rather an analysis of the government's budget in order to identify the various cross-influences of budget accumulation, planning and allocation processes on women and men. By mandating that gender segregated data is provided by all budget users for competing programs i.e. budgets, it would be evident that budgets are not gender neutral but rather play a vital role toward increasing or

decreasing gender gap. Furthermore, by introducing gender sensitive performance indicators for each program proposed by the budget users, gender equality achievements can be easily measured – by program, specific sector, budget user etc. Thus, when preparing budgets, all above listed steps should include answers to questions such as what is the nature of the program and jobs that are created, and who gets these jobs; what are the traditional policy assumptions in the preparation of the budget and how can they be approached through a gender equality lens; does the criteria for budget distribution adequately captures the gender equality principles; etc.

As a necessary implementation and sustainability mechanism, heavy capacity building assistance aimed at increasing knowledge and skills related to GRB is necessary, including but not limited to (Varbanova, 2010, p.7):

- The need to consider gender needs and priorities that are provided annually to all budget users by the Gender Agency and Gender Centers;
- Sex disaggregated statistics released by the statistical institutes should be examined when developing policy priorities, and gender related performance indicators used for each specific sector;
- That existing and new policies and programs should be examined to identify gender aspects.

3.2. Introducing GRB through specific department/program level initiatives without systemic integration with budgetary process

Given that BiH ratified CEDAW convention and the right to non-discrimination is upheld in the country's Constitution, as well as Law on Gender Equality, we can say that BiH as a country has an established legal framework for gender equality. Through the signing of the Beijing Platform for Action, BiH recognized the need and committed to the implementation of an overall gender mainstreaming policy. Nevertheless, the situation on the ground is still ruled by social stereotypes and was far from equitable, and concerns regarding equitable access to resources increased. One way to approach the implementation of GRB is through introducing extensive budget analysis coupled with other thematic/sectoral analysis, and upon identifying specific problems, stream budget funds for improving the concrete issues. Thus, rather than placing the norms of gender quality within the budget structure, although they clearly require resources, more focused analysis of specific policy areas of intervention can be conducted.

Initial step in implementing this framework would be a thorough gender analysis in specific sectors/departments, and specific programs should be chosen within those departments for gender analysis of expenditure (for example, social welfare and health, education culture and local development or other sectors and programs which are deemed as particularly relevant from a gender perspective). Each of the departments should choose a specific program within their departments for which the gender budget and corresponding impact assessment analysis on expenditure will be carried out. Gender Commission at local level could lead this process and together with municipal representatives (senior management team) specify the areas for gender analysis. This would require a policy change in terms of amending the operational rulebook on the responsibilities of Municipal Gender Commission. On the other hand, specific training about what gender analysis is and how it is done can be provided by the Gender Center FBiH, as it is already within their mandate to provide necessary training/capacity building. The analysis should include both policy and resource perspective, assessing the extent to which programs and policies contribute toward gender equality, and should be based on a three-step process:



1. Gathering gender disaggregated data and reports,
2. Assessing the differences between women and men; and
3. Formulating recommendations for action.

Once the analysis is presented to all stakeholders, the specific action plan for following up on the implementation of recommendations and action plan and monitoring the action plan implementation should be developed. Again, this process should be led by the Gender Commission and supported by municipal senior management team, with advanced engagement of those departments and department managers whose sectors are chosen for the gender budget analysis. Given that this means the introduction of a new process altogether, the Municipality would have to prepare guidelines/ new policies for conducting the gender analysis (including collection of sex disaggregated data and its interpretation), presenting evaluation findings and creating action plan with specific budget allocation requests and remedy programs. It is important to note that, given the economic recession and overall lack of budgetary resources available, the recommendations should not advocate for more funds, but rather to a more equitable access to resources, re-distribution within the same departments or departments working within the same sector/area (for example, upon comprehensive budget analysis carried out on sectoral and ministerial level in Austria, it was decided that at least 50% funding in year 2006/7 for labor market programs must be reserved for women), as well as ensure further research into the gender differentiated impact of the programs that are being implemented.

In this scenario, although guidelines are not institutionalized within the budget process, sector based changes including the allocation of necessary budget resources can be achieved. At the same time, while new department and programs may be most receptive entry point for such initiative as they are in the process of setting up new data collection and evaluation mechanisms anyway, already existing departments with traditional programs may be less likely to adopt these new methods.

Simultaneously, the capacity building efforts need to be carried out within municipality: i) establishing a GRB task group and developing its capacities, and ii) raising awareness of the gender equality coordinator within municipality as the focal point for introduction of GRB¹⁰.

3.3. Policy Option Evaluation

Two policy options for the implementation of GRB are both applicable in case of MNGS. Below is a summary of each option along with potential challenges:

i) Option I: *Integration of GRB within the existing budget process*

This option uses budget reform processes (program budgeting) as an instrument to advance gender equality. The GRB implementation policy framework can be initiated as part of the regular budget planning and distribution practice with minor policy changes to already existing PFM framework, which implies that the process can be mainstreamed and GRB can be used as an instrument of analysis and control. Nevertheless, certain challenges and complexities continue to exist. Below is a list of key challenges that need to be addressed when choosing this policy approach for GRB implementation.

- The experience suggests that it takes a number of years to fully achieve all the benefits of performance budgeting, and therefore, require long-term commitment of governments, ministries of finance, local levels of government and all users of budgetary resources.

¹⁰ Also noted by Verbanova: i) developing methodology and conducting analysis of selected programs/departments, and ii) developing advocacy strategy for more sustainable integration of gender into policy making and budgetary processes (Verbanova, 2010).

- Capacities need to be build in order to link the budget cycle and gender equality properly, with heavy focus on Ministry of Finance staff, line ministries as well as all budget users in order to analyze gender impacts of proposed programs. This is a significant challenge given that capacity gaps in terms of both, program budgeting process and GRB exist in MNGS, and will continue to exist for a long time after the GRB initiation through the budget process commences. These capacity gaps need to be addressed systematically and through continuous technical assistance efforts in order to ensure program budgeting is practiced in way that addresses the needs of both men and women. This is often a problem if the local institutional mechanisms are not strong enough to carry out this mission, and donor assistance which is most often project based, is time bound without continuous reform support.

II) Option II: *Introducing GRB through specific department/program level initiatives*

This policy option advocates the introduction of gender equality and GRB concepts as separate, departmental/sectoral initiative. While setting up the initial implementing structures, the focus is on department and program analysis in order to determine the gender gaps, upon which set of recommendations including budgetary allocations is created but without involving the operational budget making structures and mechanisms in this process. The GRB implementation policy framework would require an amendment of the responsibilities of Municipal Gender Commission, and setting up of GRB coordinator. Below is a list of key challenges that need to be addressed when choosing this policy approach for GRB implementation.

- Although significant conclusions can be made from the departmental/ program based analysis approach, they are difficult to carry out without direct interference with the Ministry of Finance/ Sector of Finance and budget making institutions. The experience suggests that it is important to involve Ministry of Finance/ Sector of Finance and/ or other PFM mechanisms into the GRB game, since that is where the resource distribution decisions are made. Such involvement of official finance structures, perhaps first as an observer and then as an active participator, can help deepen the understanding of the usefulness of GRB as an instrument for more efficient, effective and equitable public spending. This is especially important because once the gender program analysis is well underway, it is difficult to involve the budget institutions at this later stage due to lack of capacities and already heavy workloads.
- Despite training and capacity building assignments, capacity gaps continue to exist, and GRB is often seen as an additional requirement to already extensive workload. This is even more visible when introducing GRB as separate initiative for specific programs, as opposed to introducing it systematically through already established PFM processes. The experience suggests that capacity building needs to be carried out simultaneously within all stakeholders: line ministries/departments to conduct substantive policy analysis and mainstream gender in their budget requests, Gender Committee commitment to GRB as a crucial leader for implementing gender equality at municipal level, and Sector of Finance commitment to GRB analysis as one the key decision makers for resource planning and distribution.

Upon analysis and based on the above listed argumentation, policy option which entails the GRB within the existing budget process is the most effective and sustainable modality for GRB implementation within municipal level – but these findings are indicative and transferable to all



government levels in BiH given that all levels are essentially using the same budget calendar. Although department and program based gender analysis, combined with capacity building, can generate substantive results, key challenge in this process remains present: gender needs to be considered within budget making decisions since that is where the resources are divided. Without placing GRB within the budgetary framework, the process is not sustainable, and each time the new gender analysis on the program level is carried out, it is seen as a new/additional activity. Integrating gender concepts within already ongoing program budget reform and overall PFM framework makes it more sustainable and increases the absorption capacity within the municipality. At the same time, capacity building efforts remain a challenge for both policy options – mandating both, time and resources.

4. Conclusion and Recommendations

Perhaps the best way to summarize the role of women in economy is by quoting Robert B. Zoellick (2007), President of the World Bank Group “Gender equality is smart economics”. Therefore, the question is not whether women play a role in the economy, but what is the best way to do so. It is necessary to design a strategy in order to enhance growth and stability – and one of the inevitable strategies is the implementation of GRB. With women being acknowledged worldwide as a powerful economic entity that can contribute to enhanced economic growth, decreases unemployment, and elevated poverty, GRB is an excellent way to ensure that gender is considered when it comes to generation, control and utilization of public resources, and that all these processes are carried out in an equitable manner that pertains to the needs of men and women.

Due to the economic, political and social environment in transition countries that are moving from social regime toward open market parliamentary democracies, as is the case with most countries within SEE region, integration of GRB practices within the PFM reforms is an attractive model for contributing to gender equality and overall socio-economic prosperity. Since various reform processes are already taking place in most of these countries, and many of them are moving toward performance based fiscal planning, it is beneficial to tie GRB to these ongoing trends as opposed to new intervention initiatives and programs. The reform environment offers perfect opportunities for systematically addressing gender equitable resource planning and allocation through linking the gender equality principles and policies with the budgetary processes. This will ensure systematic approach and application of GRB across all areas that dictate public funds allocations, as well as enable sustainability of GRB concept, since it will be carried out on an annual basis with well established budget cycle schedule. Thus, GRB can be established as a tool for more efficient and equitable policy and budget making decisions.

Once GRB is initiated through PFM system, it needs to be regulated within gender and budget policy frameworks, contributing to public administration structure that properly addresses concerns about welfare, equity and equality between the gender and macroeconomic policy, reducing the gender gaps on many levels. Finally, gender equality must be situated as an overlaying factor to political and economic progress that is based on the platform of common interests – providing a country wide approach to political stability and socio-economic prosperity, responding not only to the most impelling problems causing the inequalities between men and women but also for marginalized categories within these groups.

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Merima Avdagic, is a senior economist with more than 10 years of professional experience. Over the past decade, she worked for many key international and national partners on numerous consultancies and capacity building initiatives in the area of applying multi-disciplinary macroeconomic factors to sustainable development. Ms. Avdagic has substantive experience in the field of public finance management, including fiscal policies and strategic development, and public budgeting with focus on performance based and gender sensitive programme budgeting reform. Ms. Avdagic was part of the expert group who headed up the programme budgeting reform in BiH, ensuring that public finances are increasingly effective at delivering the priorities of the Governments through development and implementation of a comprehensive medium-term, gender sensitive programme budget process. Ms. Avdagic has strong experience working with various government levels, including providing support to line ministries and improving relationship between budget users, Ministry of Finance, and civil society organizations, and establishment of transparent and more efficient way of funds allocations in line with strategic documents and supporting the decision making process. With an undergrad in ICT, Ms. Avdagic headed up numerous initiatives aimed at increasing efficiency and transparency of evidence-based decision making processes through the usage of ICT based tools and solutions. Ms. Avdagic also supported parliaments in order to ensure adequate scrutiny of the budgetary process and government accountability.

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