

Gender Responsive Budgeting: A Tool for Financing Gender Equality Commitments

CASE STUDY

Exercise 1

Hurricane Clara, a Category 5 storm, made landfall in the Caribbean island of Palmas on October 18, 2018, directly affecting the lives of at least 70,000 people (almost the entire population). The hurricane, the strongest on record to strike Palmas, destroyed entire crops, and disrupted power and water supplies. Preliminary findings of the Post-Disaster Needs Assessment (PDNA) revealed a catastrophic impact on the productive sector. According to the PDNA, losses are estimated at \$387,000,000, damage at \$970,000,000 and needs at \$1.16 billion.

Macroeconomic Impact

- Estimated damage and losses combined of approximately \$1.4 billion, which is approximately 230% of GDP.
- Loss in tax revenue which has further worsened the fiscal balance to deficits of about 4% of GDP in FY 2018/2019 and 15% of GDP in FY 2019/2020. There is no fiscal space in the Palmas national budget sufficient to fully finance the response, recovery and rehabilitation in totality.
- Hurricane Clara has therefore resulted in negative impacts on overall economic performance, requiring significant intervention and assistance from within Palmas, and the international community.

Resource Mobilisation

Based on the results of the PDNA, the Government of Palmas has successfully mobilised approximately \$1 billion dollars (40% in concessional loans and 60% in grant financing) from international donors. Donors have agreed to provide their support through a Joint Humanitarian Assistance Fund (JHAF) for Palmas using direct budgetary support as the modality. This means the funds will be provided directly to a special account to be managed directly by the Ministry of Finance. Funding will be tied to performance indicators.

For the JHAF to be activated the following conditions must be met by the Government of Palmas:

- The development of a National Recovery and Resilience Plan (NRRP) with a strong results and monitoring framework. This includes the integration of gender equality indicators in the Plan and a Gender Equality Strategy and Action Plan for the NRRP.
- This Plan and the overall NRRP must be aligned to the National Gender Policy. Donors have emphasised the importance of alignment with national planning and budgeting mechanisms and priorities, in order to ensure national ownership and sustainability of outcomes.
- Establishment of a Recovery Bureau partially financed by domestic resources to oversee the recovery, reconstruction and resilience efforts and the implementation of the NRRP for a 10-year period.

The Honourable Kora Daniel, Minister of Gender Affairs, has been tasked with leading the development of the Gender Equality Strategy and Action Plan for the NRRP. She has reviewed the PDNA with Ms. Joan Guerra, Director of Gender Affairs, who has voiced concern with results of the PDNA and the approach taken in identifying gender equality priorities. As it stands, only \$400,000 (0.04% of the JHAF budget) has been allocated for gender. This is compared to the following:

Sector	Budget Allocation	Percentage of JHAF Total Budget
Social Sector: Housing, Education and Health	600,000,000	60%
Infrastructure: Transport, Electricity, Water and Sanitation, Telecommunications, Airports and Ports	240,000,000	24%
Productive Sector: Agriculture, Fisheries, Commerce and Micro-Business and Tourism	150,000,000	15%
Disaster Risk Management	10,000,000	1%
Gender	400,000	0.04%
TOTAL	1,000,400,000	

Ms. Guerra has recommended the following to the Honourable Minister:

- Conduct Gender Assessments of each of the priority sectors (social, infrastructure and productive).
- Based on the above, identify the gender-based disparities by sector.
- Informed by the above, identify specific actions in each sector to address the gender-based disparities.
- Develop a Gender Equality Strategy and Action Plan for the NRRP, to include gender equality indicators based on the above. The purpose of the indicators is to assess progress on actions to promote gender inequality in the NRRP.
- The NRRP should be aligned to the National Gender Policy.

Ms. Guerra sees no need for a dedicated budget for gender. Instead she is advocating for a costed Gender Equality Strategy and Action Plan for the NRRP that is strictly sector based, meaning that the gender equality interventions will be integrated into each sector.

Questions

1. What are key considerations for undertaking the gender assessments? What kind of information would be required? The objective is to ensure that the different needs of women and men, and boys and girls are equitably addressed.
2. Do you agree with Ms. Guerra's focus on a sector-based approach? Does her approach address the concerns raised about alignment with national planning and budgeting priorities and mechanisms?

Exercise 2

With information from stakeholder and community consultations, the PDNA, and other relevant sources, the Ministry of Economic Development and Planning has prepared, seven months after the disaster, a draft National Recovery and Resilience Plan to be implemented over a five-year period.

The Right Honourable Dwight Edwards has called a Supplementary Parliamentary Session to present the 2019-2024 National Recovery and Resilience Plan and Budget for approval by the National Assembly, eight months after Hurricane Clara.

In the meantime, the Budget Office staff in the Ministry of Finance have been hard at work and had already shared, one month prior, a Call Circular to Permanent Secretaries/Directors in sector/line ministries requesting budget submissions. Given the high priority placed on gender equality, the Ministry provided Guidelines for a Gender Budget Statement to be assessed based on the following criteria:

1. *Interventions must be service delivery oriented. **The JHAF will not cover institutional support or administrative costs as these will continue to be financed from regular budget resources.***
2. *The size of the budget allocation for gender equality interventions compared to other interventions.*
3. *The expected impact of the selected interventions in equitably addressing the different needs of women and men.*
4. *The extent to which the interventions contribute to the achievement of the National Gender Policy and NRRP outcomes.*

Each line ministry is expected to attach a Gender Budget Statement to its submission to the Ministry of Finance.

Draft Budget Submissions and Gender Budget Statements have now been received by Latoya Bell, the Budget Director, and her staff in the Ministry of Finance. Most ministries complied with the guidance, allowing Ms. Bell to approve their submission. However, the submissions from four ministries (Agriculture, Housing, Health and Tourism) require further revisions.

As Ms. Bell herself is new to Gender Responsive Budgeting, she has requested technical assistance from the Directorate of Gender Affairs in reviewing these Gender Budget Statements.

Questions

1. What is missing from the Gender Budget Statement for your Ministry? Do the interventions effectively address the gender-related disparities identified in the Gender Situational Analysis? Make sure to take a look at the proposed interventions and the targets.
2. As parliamentarians, what information do you find useful or not useful in the Gender Budget Statement for enhancing your role in monitoring the budget's responsiveness for gender equality?

MINISTRY OF AGRICULTURE

Damage and Losses: \$180,000,000
Needs: \$90,000,000
NRRP Request (10 year): \$85,000,000
Annual Request: \$8,500,000

Gender Budget Statement: Supplementary Budget

Programme Name: Revitalising the Agriculture Sector in Palmas

Gender Situational Analysis

After tourism, the agriculture sector is the second largest employer in Palmas. The agriculture sector largely comprises smallholder farmers, 70% of whom are men and 30% women. Results from an agriculture census conducted in 2016 revealed that women farmers owned smaller plots (5 acres or less) and produced root crops and vegetables sold on the local market and subsistence.

The census further revealed that the majority had not been visited by an extension officer in the last five years and were not aware of climate smart and sustainable farming techniques. The majority of farm lands that are over 5 acres are owned by male farmers. Similar to the women farmers, they have not been visited by an extension officer in the last five years and are also unaware of sustainable farming techniques.

However, the majority of farmers of cashew nuts – a burgeoning export crop in Palmas with high potential for revenue and contribution to economic growth – are men, and they receive generous subsidies and assistance (saplings, manure, waivers of land tax and agricultural loans) from the government. Nevertheless, there is a tremendous opportunity for employment of both sexes in the cashew nut industry if further support is provided, particularly in the processing and packaging end of the value chain. Cashew farmers comprise 30% of the farming population. Ninety-five percent of smallholder farmers, regardless of sex, did not have crop insurance, while 60% of cashew nut farmers (most of them exporters) had crop insurance.

It also bears mentioning that a significant number of farm labourers are from the neighbouring island of Saint Pierre, who migrated two years ago to Palmas to escape political unrest in their countries. Many are reported to not possess legal work permits.

Findings from the PDNA showed that Hurricane Clara had a devastating impact on the sector. Crop losses (root crops and vegetables) ranged from 80% to 100% percent. The losses for the cashew farmers were equally devastating. As cashew trees are long term crops, the investment in their development is high and also the loss. 80% of smallholder farmers, (the majority produce root crops and vegetables) interviewed during the PDNA expressed an immediate need for manual labour, seeds, tools and cash.

Most of the agriculture equipment and infrastructure were destroyed.

(see chart on next page)

<i>Gender Interventions</i>	<i>Outcomes</i>	<i>Outputs</i>	<i>Indicator, Baseline and Target</i>	<i>Allocated Budget</i>
Provision of inputs: seeds	Farmers empowered through secure access to productive resources	Establishment of a National Emergency Seed Bank	Indicator: % of women farmers accessing seeds after emergency Baseline: delayed access to seeds by women farmers after hurricane Clara Target: By 2019 50% men and 50% women farmers access seeds in time after next emergency	600,000
Strengthening smallholder farmers' resilience to climate change	Farmers' resilience to climate change is strengthened	Establishment of Farm Insurance Mechanism for smallholder farmers	Indicator: % of smallholder farms insured Baseline: 95% of smallholder farms are not insured Target: by 2030 50% men and 50% women smallholder farmers will be insured	300,000
Strengthening the capacity of the Ministry of Agriculture to deliver extension services	Ministry capacity to deliver extension services island-wide is strengthened	Extension service revitalised	Indicator: # of qualified extension officers (50% men and 50% women) hired Baseline: Insufficient numbers of officers to deploy Target: By 2030 all farms will be attached to an extension officer	200,000
Supporting "export-readiness" of cashew nut exports through providing agricultural land (long term leasing agreement) to Cash Nut Export Consortium	Increased exports of cashew nuts to the global market	Land grant: cashew nut processing factory	Indicator: % increase in volume of exports of cashew nuts (at least 30% women cashew nut exporters) Baseline: limited number of processing factories Target: By 2030, cashew nuts will represent 30% of agricultural exports (at least 30% women cashew nut exporters)	200,000
TOTAL				8,500,000
GENDER ALLOCATION				1,300,000 (15%)

MINISTRY OF TOURISM

Damage and Losses: \$110,000,00

Needs: \$30,000,000

NRRP Request (10 year): \$30,000,000

Annual Request: \$3,000,000

Gender Budget Statement: Supplementary Budget

Programme Name: Revitalising the Tourism Sector

Gender Situational Analysis

Palmas' tourism sector was devastated by Hurricane Clara. Labour Force Surveys conducted in the last five years in Palmas confirm that the majority of workers in the country are employed in this sector.

With regard to the hotel industry specifically, 50% of hotel room stock have been damaged. It is estimated that 30% percent of these damaged stock were severely damaged and are not expected to be back in service for a year; while 10% are considered totally lost.

Expected revenues from the current cruise ship season are considered lost. Tour operators, taxi drivers and vendors of arts and crafts have been severely affected as their livelihoods are dependent on the tourism industry. Many of the vendors of arts and crafts are women. It is difficult to estimate specifically how many are women, as most are not operating in the formal economy and as such, are unregistered businesses.

A study conducted in 2017 on domestic work in Palmas confirmed that 90% of maids and cleaners in the hotels are women. Many of the maids and cleaners are from the neighbouring island of Saint Pierre. They migrated to Palmas to escape political unrest in their country. However, there is a concern that many work without legal work permits.

The hotel sector is also a significant generator of government revenue from import duties, corporation tax, property taxes and Value Added Tax.

(see chart on next page)

<i>Gender Interventions</i>	<i>Outcomes</i>	<i>Outputs</i>	<i>Indicator, Baseline and Target</i>	<i>Allocated Budget</i>
Temporary Employment Programme: restoration of access, rehabilitation, upgrading of tourism sites	Tourism industry revived through the restoration of access to and rehabilitation and upgrading of tourism sites	All major tourism sites rehabilitated and upgraded (women employed)	Indicator: # of tourism sites rehabilitated and upgraded with temporary labour (50% men and 50% women) Baseline: Most tourism sites are damaged or destroyed. Most people in the country unemployed Target: By 2020 all tourism sites are rehabilitated	500,000
Small Grants Programme for tour operators, taxi drivers and vendors	Income and livelihoods of tour operators, taxi drivers and vendors are sustained	Small grants provided to taxi drivers, tour operators and vendors. (women included)	Indicator: % of taxi drivers, tour operators and vendors (50% women and 50% men) that access the grants Baseline: taxi drivers, vendors and tour operators are unemployed and assets damaged or destroyed Target: By 2020 taxi drivers, tour operators and vendors in the sector are fully back in business	60,000
Loan facility for operators of small hotels and attractions	Strengthened economic resilience of small business owners in tourism sector	Loans provided to support repairs, upgrading to meet industry standards and marketing (50% women, 50% men beneficiaries)	Indicator: 70% of Small Hotels and attractions are upgraded and rehabilitated (50% men and 50% women operators) Baseline: 50% hotel room stock damaged or destroyed. Target: By 2020 small hotels and attractions are fully operational	\$600,000
Development of climate change and disaster risk reduction (DRR) strategy, or CCDS, for the tourism sector	Strengthened resilience of tourism sector to climate change and DRR	Development of Gender Strategy and Action Plan for the CCDS	Indicator: At least 1 strategy on climate change developed for the tourism sector Baseline: No strategy Target: By 2020, CCDS and its Gender Strategy and Action Plan completed and financed	\$100,000
TOTAL				\$3,000,000
GENDER ALLOCATION				\$1,260,000 (42%)

MINISTRY OF HOUSING

Damage and Losses: \$430,000,000
Needs: \$600,000,000
NRRP Request (10 year): \$50,000,000
Annual Request: \$5,000,000

Gender Budget Statement: Supplementary Budget

Programme Name: Revitalising the Housing Sector

Gender Situational Analysis

According to the PDNA, approximately 90% of the housing stock was destroyed. This comprises housing that was 40% partially damaged, 30% completely destroyed and 20% not affected. Notably, houses that sustained the most damage were in the northern parishes which are also the poorest, and are mostly located in low-lying coastal communities and those vulnerable to flooding and landslides.

The PDNA revealed that 2,000 people were in 60 emergency shelters in Palmas. Most have returned home. As schools serve as emergency shelters, it is important to ensure that the 300 people still remaining in 10 emergency shelters be transitioned to temporary housing as soon as possible in order to allow those school buildings to return to their original purpose. The Ministry of Education reports that there is overcrowding in some schools because the 10 schools are still being used as shelters.

Observational evidence cited in the PDNA suggested that the majority of people in shelters comprised women, children and the elderly. Site visits indicated the elderly women were doing most of the work in the shelters and were spending 18 hours per day on unpaid care work including cooking, cleaning and caring for children and the sick. These elderly women (aged 65 and over) are heads of households with more than five people on average. Notably, most of the elderly men in the shelters were on their own. In two shelters it was observed the elderly men comprised the majority of the sick/infirm.

Pursuant to a subsequent assessment done by the Ministry in collaboration with experts from international agencies, about 900 are living in sub-standard and unsafe housing. Site visit interviews highlighted that many women, particularly elderly women, did not have housing insurance because they were living in family homes built by their parents. These women indicated they were unable to move out of the shelters because they did not have access to housing material or knowledge of where to source it. Despite this, their main concern was being able to pay for the labour needed to assist them in rebuilding.

The assessment recommended that key vulnerable groups be prioritised to receive Ministry support. These include persons in households with the elderly; pregnant and lactating women; and persons who have disabilities or chronic illness that affect their mobility and ability to provide for themselves. Single male or female headed households with many children who are poor and not able to work for an income, and living in unsafe structures or an uninhabitable house due to the impact of the hurricane, and with low self-recovery capacity (including loss of livelihoods) will also be prioritized. The Ministry consulted the Directorate of Gender Affairs and the Ministry of Social Protection in determining the selection criteria.

Results from the PDNA also revealed a high number of migrants from the neighbouring island of Saint Pierre living in unsafe housing. They migrated to the country two years prior to escape political unrest in their country. Prior to the hurricane, many were reported to be living in substandard housing and vulnerable to exploitative relationships with landlords.

The Ministry is seeking to recruit local engineers, architects, carpenters and contractors support the reconstruction and rehabilitation efforts. Training in environmentally sustainable housing and “building back better” techniques will be prioritised. *(see chart on next page)*

<i>Gender Interventions</i>	<i>Outcomes¹</i>	<i>Outputs</i>	<i>Indicator, Baseline and Target</i>	<i>Allocated Budget</i>
Household repairs	Quality of national housing stock is improved, and is climate and disaster resilient	300 houses that have been extensively damaged are repaired ²	Indicator: number of damaged houses repaired Baseline: 40% of national housing stock partially damaged Target: 300 damaged houses are repaired by 2019. Priority to vulnerable populations	\$500,000
Household construction	Quality of national housing stock is improved, and is climate and disaster resilient	Housing stock (80 houses) that has been destroyed is replaced ³	Indicator: number of destroyed houses that are rebuilt Baseline: 30% of national housing stock destroyed Target: 80 houses built specifically for those in the priority vulnerable groups	\$1,000,000
Transitional housing	Quality of transitional housing stock is improved and is climate and disaster resilient	Transitional housing that can be used to replace some schools as emergency and post-emergency shelters/housing solutions for the most vulnerable, particularly elderly men living alone, are built	Indicator: Number of transitional houses constructed Baseline: No transitional housing Target: 2 transitional houses built, with preference given to elderly men living alone	\$200,000
Training and capacity building in sustainable building techniques	National skills, knowledge and expertise in sustainable building techniques are strengthened	Local engineers, architects, carpenters and contractors (50% men, 50% women)	Indicator: Number of local engineers, architects, carpenters and contractors trained in sustainable building techniques (50% men, 50% women) Baseline: No baseline study done - undetermined Target: 30 persons (15 men and 15 women) trained. Exact number TBD when baseline study is completed	\$60,000
TOTAL				\$5,000,000
GENDER ALLOCATION				\$1,760,000 (35.2%)

¹ Aligned to NRRP Outcomes

² Priority groups: elderly; pregnant and lactating women; and persons who have disabilities or chronic illness; single male or female headed households with many children who are poor and not able to work for income

³ Priority groups as listed above

MINISTRY OF HEALTH

Damage and Losses: \$17,000,000

Needs: \$20,000,000

NRRP Request (10 year): \$2,000,000

Annual Request: \$200,000

Gender Budget Statement: Supplementary Budget

Programme Name: Revitalising the Health Sector

Gender Situational Analysis

Access to health care has been compromised since the hurricane because all health centres around the island have been impacted. The General Hospital sustained heavy damage, including the roof being partially blown off. The PDNA results confirm though that 50% of medical supplies in the Central Medical Store (located within the General Hospital) have been destroyed, although the medicines, including contraceptives, post exposure prophylaxis (PEP) kits (containing a 28-day emergency medical treatment of antiretroviral therapy that can be used for an HIV-negative person following accidental exposure to HIV, emergency contraception, a pregnancy test, instructions for use and a reporting form) have been spared. Bed capacity has been reduced by 100.

Since the hurricane, primary health services continue to be offered in buildings with only emergency repairs or in alternate premises. In Palmas there are two types of health facilities: Type I (community clinics) and Type II (district health centres).⁴ Twenty of the 30 health clinics in the country were severely damaged, five were moderately damaged, and five located in the northern parishes were completely destroyed. **NB: The Ministry of Infrastructure and Works has included in its proposal repairs and rebuilding of health care facilities.**

Hurricane Clara has greatly increased health related risks including: acute respiratory conditions; gastroenteritis due to poor sanitation and food safety; and vector borne disease outbreaks, including mosquito borne diseases like dengue, Zika and chikungunya, as well as leptospirosis. There is high level of concern particularly about Zika and the vulnerability of pregnant women to contracting the disease, which has been linked to incidences of microcephaly in babies. Poor nutrition is a concern and will exacerbate chronic diseases. Increases in substance abuse, including alcohol, and increases in mental health problems are also anticipated. Men are at greater risk for leptospirosis and psychiatric conditions, and are less likely to seek care in the health system. Many women interviewed during the conduct of the PDNA indicated a need for increased communication to ensure everyone was aware of where and how to access critical health services. The elderly population are also at increased risk.

There are reports of increased sexual activity and sex work within the vicinity of the shelters and in urban centres across the island raising concerns about transmission of sexually transmitted infections, and a possible increase in unintended pregnancies. There are unconfirmed reports that a significant number of sex workers are from the neighbouring island of Saint Pierre. There were 5 reported cases of rape in the shelters that required the administration of PEP and psychosocial support.

Out of pocket health care costs will increase both within and outside of Palmas. Poorer health will contribute to a general decrease in productivity. There is a particular concern about access to health care by the significant migrant population from Saint Pierre who migrated two years before the hurricane to escape political unrest in their country. Only nationals and legal residents of Palmas can access health care free of cost.

Immediate priorities are continued support for health workers, reduction and management of environmental health risks, treating increases in illness and injury, and the restoration of health services. The strategy for recovery includes building more resilient facilities and systems, addressing human resource gaps and reorganization of primary care services. *(see chart on next page)*

⁴ A type I clinic is staffed by a nurse midwife and serves a population of 500 to 2,000. It provides maternal and child health services including deliveries and immunisation, medical care, cancer screening, diabetic and hypertensive clinics, health education, social mobilisation, dental services, home visits and environmental health monitoring. A type II serves as administrative headquarters of a district and is staffed by a resident doctor, family nurse practitioner, environmental health officer, pharmacist, community health nurses, registered nurse midwives, dental therapist and support staff. Type II staff visit type I clinics to provide service, support and supervision.

<i>Gender Interventions</i>	<i>Outcomes</i>	<i>Outputs</i>	<i>Indicator, Baseline and Target</i>	<i>Allocated Budget</i>
Health promotion campaign on prevention of STIs and unintended pregnancy	Increased adherence to safe sex practices	6-month campaign on prevention of STIs and unintended pregnancy	Indicator: # of campaigns Baseline: Increased reports of sexual activity and rape Target: 0 increase in STIs and unintended pregnancies	5,000
Health promotion campaign: male-focused campaign promoting their uptake of services that are gender related	Increased male health-seeking behaviour	6-month campaign to increase male health-seeking behaviour	Indicator: # of campaigns Baseline: Men are at greater risk for leptospirosis and psychiatric conditions, and are less likely to seek care in the health system Target: 30% increase in male reporting to health care centres by 2019	5,000
2 mobile clinics which provide medical care including family planning and provision of contraceptives and condoms	Increased health care access, including access to family planning and reproductive health services	2 mobile clinics fully operational and accessible	Indicator: # of mobile clinics fully operational Baseline: Health care service provision compromised due to hurricane impact Target: Health care services, including family planning and reproductive health services, continue to be provided without interruption	60,000 (for gender-oriented components)
TOTAL				\$200,000
GENDER ALLOCATION				\$70,000 (35%)