Governments from all regions of the world have placed a high priority on achieving gender equality and empowering women and girls as a central ambition of the post-2015 sustainable development agenda (Box 1). Ambitious financing will be needed to turn political aspirations into a reality.

Investing in gender equality is one of the surest paths to poverty reduction, inclusive growth and prosperity. Gender is also a key dimension of vulnerability to poverty. For financing to be effective in reducing poverty and delivering sustainable development, it needs to benefit women and men equally and contribute to empowering women and building equitable societies. This needs to be specifically addressed by placing a high priority on gender equality in official development assistance (ODA), and ensuring that national budgets allocate sufficient resources towards achieving gender equality.

Discussions on a new financing deal to underpin implementation of the SDGs are well underway ahead of the Third International Conference on Financing for Development in Addis Ababa in July 2015. This is an historic opportunity to insist on investments that are gender-responsive and to shape a financing package that is fit to deliver on both long-established and newly won commitments on women’s rights.

This brief is a contribution to these debates. It provides an overview of OECD Development Assistance Committee (DAC) members’ aid to gender equality since the MDGs and identifies priorities for financing gender equality in the implementation of the post-2015 development agenda. The figures are based on DAC members’ aid that has been screened using the DAC gender equality policy marker – a statistical tool to measure whether aid activities target gender equality as a policy objective. At present, 92% of all bilateral “sector allocable” aid is screened against the gender marker.

Box 1. The Open Working Group’s proposal for Sustainable Development Goals (SDGs): A summary of key commitments on gender equality and women’s rights

**SDG 5: Achieve gender equality and empower all women and girls**

5.1. End all forms of discrimination against all women and girls

5.2. Eliminate all forms of violence against women and girls

5.3. Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilations

5.4. Recognise and value unpaid care and domestic work and promote shared responsibility within the household and family

5.5. Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life

5.6. Ensure universal access to sexual and reproductive health and reproductive rights

The Open Working Group proposed gender specific targets in 10 other SDGs, including:

- equal rights to economic resources, ownership, access and control over land
- reducing maternal mortality and universal access to sexual and reproductive health care services, including for family planning
- equal access to education at all levels
- access to full and productive employment and equal pay for equal work
- safe public transport and public spaces for women


**KEY MESSAGES**

- An ambitious agenda for achieving gender equality and women’s rights must be matched by ambitious resources. All countries, including OECD countries, should establish robust systems to track allocations for gender equality and take action to address areas of underinvestment.

- The underinvestment in gender equality in the economic and productive sectors must be turned around. This is a prerequisite for achieving gender equality and building prosperous societies. The strong focus of the SDGs on economic development provides the ideal opportunity to accelerate efforts to empower women economically and shape an economy that works for women.

- Countries’ own domestic resources, such as taxes, are the most important source of finance for achieving gender equality and must be responsive to women’s needs and priorities. Public spending should be monitored for its impact on achieving gender equality and women’s rights. Donors, the UN and other partners can play an important role in supporting these country-led efforts.*

- Women’s organisations play a unique role in advancing women’s rights. Governments and donors should invest in women’s organisations at all levels and support their effective participation in national planning and budgetary processes.

*See for example UN Women’s leading efforts to support gender responsive planning and budgeting: http://gender-financing.unwomen.org


1. Aid is a critical source of finance for achieving sustainable development.

In 2013, Official Development Assistance (ODA) reached USD 134.8 billion. Aid will only be part of what is needed to deliver the SDGs but it remains a crucial part, especially for least developed countries (LDCs) and fragile states, which have a low capacity to attract other forms of external finance. For LDCs, aid represents over 70% of available external finance.4

2. Aid in support of gender equality and women's rights has increased rapidly.5

The third Millennium Development Goal (MDG 3) – Promote gender equality and empower women – has galvanised new resources for gender equality and women's rights. DAC members' aid to gender equality has more than tripled over the course of the MDGs, from USD 8 billion in 2002 to USD 28 billion in 2013. Much of this aid has focussed on education and health, in line with the MDGs. There has been a particularly high priority placed on gender equality in aid to fragile states.6 In Afghanistan, aid to gender equality has more than doubled since 2007-08 to reach USD 1.5 billion in 2012-13.

Aid to gender equality has grown at a faster rate than aid overall. While total aid grew at around 1% per year since 2008, aid to gender equality grew by 4% annually (Figure 1). In fragile states, the rate of growth in gender equality focused aid has been even faster at 10% per year over the same period, making up an increasing share of aid to fragile states. This may reflect the severity of gender disparities in fragile states, and the reality that fragile states are disproportionately lagging behind on the gender equality related MDG targets.7

3. Despite the upward trend, investments in gender equality are vastly insufficient to achieve gender equality and only a small proportion of aid addresses women’s specific needs.

Achieving gender equality requires a “twin track” approach that combines targeted interventions with gender mainstreaming. Yet, financing for standalone projects on gender equality is far below that of programmes in which gender equality is mainstreamed. In 2012-13, just USD 4 billion on average per year targeted gender equality as a principal objective, representing 5% of the aid screened against the DAC gender marker. By comparison, USD 22 billion – or 25% – targeted gender equality as a secondary objective. Taken together, this means that only a small proportion of aid (30%) is responsive to women’s needs and interests (Figure 2).

4. Aid in support of gender equality remains concentrated in the social sectors of health and education, in line with MDG priorities. There is significant underinvestment in gender equality in the economic and productive sectors.

The primary focus of the MDG targets for gender equality was social development. This directed welcome attention to improving women’s health and education. Yet, women’s roles in and contribution to the economy were often overlooked, despite being a cornerstone of the Beijing Platform for Action. Even though the case for investing in women’s economic empowerment is well-established,8 investment in gender equality in the economic and productive sectors remains low. Gender equality focused aid as a share of total aid to the economic and productive sectors remained flat from 2008-13. Despite a rise in 2013, only 2% of aid to the economic and productive sectors in 2012 and 2013 targeted gender equality as a principal objective (Figure 2). The gender equality focus of aid to the energy sector, and to banking and financial services, is particularly low.

5. Aid activities can be classified as targeting gender equality as a “principal” or “significant” objective, or as “not targeted”. “Principal” means that gender equality was an explicit objective of the activity. “Significant” means that gender equality was an important but secondary objective. “Not targeted” means that the activity was screened using the gender equality policy marker but was found not to be targeting gender equality. The United States, which did not report against the gender equality policy marker from 2010 to 2012, has implemented a new data collection methodology for the gender equality marker and is included in the data for 2013. The screening for 2011 and 2012 – which is being conducted retrospectively by the United States – had not yet been completed as of the time of this publication, but data for these years will be provided in the coming months.
Underinvestment in gender equality in the economic and productive sectors has meant that progress is falling short. Improvements in girls’ education have not translated into reduced gender gaps in the labour market or in women’s equal ownership and control over economic resources, and the gender gap in earnings remains pervasive across the globe. Financing the implementation of the SDGs will require more attention to gender equality in the economic sectors, going beyond microcredit and enterprise development to support comprehensive strategies that improve labour standards and conditions of work, and support equal access to the full range of credit, banking and financial services essential for business development. As well as being fundamental to women’s empowerment, this would allow countries to reap the economic benefits of women’s human capital, with significant impacts on domestic public finance through taxes and women’s investment.

5. Investments fall short of political commitments in other priority areas for the post-2015 framework – sexual and reproductive health and rights, women, peace and security, and violence against women. Achieving gender equality will require adequate and effective resources for gender equality across all sectors.

One of the starkest and most persistent financing gaps is in the area of sexual and reproductive health and rights. While MDG 5 – Improving maternal health – contributed to an increase in DAC donors’ aid to reproductive health care,9 resources have been insufficient to end the high rates of maternal mortality. DAC donor funding to family planning10 also remains low and has significantly declined as a share of total aid to population policies, programmes and reproductive health from 71% in 1995 to plateau at around 20% between 2007 and 2011 (Figure 3). Encouragingly, the last few years have seen a sharp rise to 36% in 2012 and 31% in 2013. This may signal the start of a newly upward trend, which will be critical to reverse the global unmet need for family planning. By 2015, total demand for family planning amongst married women is expected to grow to more than 900 million women.11

The gap between policy commitments and financial commitments is also pronounced in the area of peace and security. Fifteen years since the adoption of the landmark UN Security Council Resolution (UNSCR) 1325, stronger political support at the international level has led to some improvements in financial commitments.12 Despite this, amounts of aid targeting gender equality in the peace and security sector remain low at around USD 500 million on average per year since 2002. In 2012-13, only 2% of aid to peace and security in fragile states targeted gender equality as a principal objective. The 15th anniversary and high level review of UNSCR 1325 offer a critical opportunity to ensure that hard won international commitments on women, peace and security are matched by adequate investments.

Ending violence against women and girls13 has emerged as a priority for the post-2015 development agenda.14 While it is encouraging that DAC members are attaching increasing importance to their work in this area,15 estimates suggest that aid in support of ending violence against women remains low.16 Improved data collection on aid targeting violence against women will be essential to strengthen monitoring of donors’ efforts in implementing the SDG target on elimination of violence against women and girls (Box 1).

9. According to the DAC definition, the “reproductive health care” category includes: promotion of reproductive health; prenatal and postnatal care including delivery; prevention and treatment of infertility; prevention and management of consequences of abortion.
10. According to the DAC definition, the “family planning” category covers: counselling; information, education and communication activities; delivery of contraceptives; capacity building and training.
6. Investing in women’s organisations as critical partners will be key to successful implementation of commitments on gender equality and women’s rights.

The essential role and impact of civil society, especially women’s organisations, in driving change in support of gender equality is well-documented. Since 2006, aid to women’s civil society organisations has increased as several important bilateral funds targeting women’s organisations have been scaled up and renewed. Despite this, funding for women’s civil society organisations and institutions constitutes a very small percentage of total aid to gender equality. While aid in support of gender equality reached USD 28 billion, funding for women’s civil society organisations and institutions was less than USD 400 million on average per year in 2012-13. In fragile states, women’s equality organisations and institutions received just 1% of the total aid targeting gender equality. Yet, women’s organisations are often at the forefront of peacebuilding and statebuilding efforts. Effective funding for women’s rights organisations requires multi-year and core funding, accessible and flexible resources, and sizeable grants.

7. The financing needs for achieving gender equality cannot be met through aid alone. Countries’ own domestic resources are the most important source of revenue, even in the poorest countries.

Tax revenues dwarf aid: in 2012 total tax revenue collected in Africa was ten times the volume of the development assistance provided. Progressive budgeting and tax policies have enormous scope to reduce gender inequalities. This requires government budgets that are transparent, participatory and gender responsive (Box 2). With increasing focus on “smart ODA” — including using ODA to support developing countries in mobilising their own domestic revenue — supporting the establishment of national gender equality priorities and gender responsive public financial management systems will be critical to ensure that gender equality is prioritised in how domestic resources are mobilised and spent.

**Box 2. The Global Partnership gender equality indicator: “Proportion of developing countries with systems to track and make public allocations for gender equality and women’s empowerment.”**

One entry point for ensuring that domestic resource mobilisation and allocation is gender responsive is the Global Partnership indicator on gender equality, developed by UN Women and the OECD. This is one of just 10 indicators developed to monitor progress in the implementation of the Busan Partnership for Effective Development Co-operation (2011). The indicator provides data on whether governments track allocations for gender equality and make this information public.

There has been strong take-up of the global indicator — even from countries without a system in place to track and make public resource allocations. The first progress report of the Global Partnership for Effective Development Co-operation on the implementation of the Busan commitments (2014) found that out of 35 countries that reported on the indicator, 12 have systems to track and make public allocations in support of gender equality. Many countries without a system reported dedicated efforts to develop one. Continuing to expand the number of countries engaged in monitoring the Global Partnership gender equality indicator will strengthen accountability in domestic financing for gender equality and encourage improvements in national systems for tracking gender equality allocations in the context of the post-2015 framework.

**TIME FOR ACTION**

There has been extraordinary support for gender equality and women’s rights from governments across the world in negotiations to agree on the post-2015 sustainable development agenda. Now is the time to ensure that political promises are backed up with the resources required to get the job done.

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17. For example, substantial bilateral investments have been made by the Netherlands through the MDG 3 and Funding Leadership and Opportunities for Women (FLOW) funds.
