

## **First pass at a composite index on gender budgeting**

The publication “*Government at a Glance 2019*” includes a first pass at a composite index related to gender budgeting. Data used for the construction of the composites are derived from the 2018 OECD Budget Practices and Procedures Survey. Survey respondents were predominantly senior officials in the Ministry of Finance.

The composite index presented represents the best way of summarising discrete, qualitative information on key aspects of gender budgeting. “Composite indexes are much easier to interpret than trying to find a common trend in many separate indicators” (Nardo et al., 2004). However, their development and use can be controversial. These indexes are easily and often misinterpreted by users due to a lack of transparency as to how they are generated and the resulting difficulty to truly unpack what they are actually measuring.

The OECD has taken several steps to avoid or address common problems associated with composite indexes. The composite index is based on a theoretical framework set out in the OECD Publication “Towards Good Governance Guidelines for Gender Budgeting” (forthcoming). The variables comprising the index were selected based on their relevance to the concept by a group of experts within the OECD and in consultation with country delegates to the SBO Experts Group on Gender Budgeting. Sensitivity analysis was carried out to establish the robustness of the indicators to different weighting options. The index does not purport to measure the overall quality of gender budgeting in each country. To do so would require a much stronger conceptual foundation and normative assumptions. Rather, the composite index presented is descriptive in nature. The survey questions used to create the index are the same across countries.

While the composite index was developed in co-operation with member countries and is based on best practices and/or theory, both the variables comprising the composite and their weights are offered for debate. The OECD’s composite indicator on gender budgeting will be further refined over time in order to ensure it captures the elements that underpin a comprehensive gender budgeting framework.

The composite was built according to the following methodology: each of the topics was divided into broad categories comprising the theoretically relevant aspects for the subject areas. A weight was assigned to each of these broad categories. Within each of the broad categories, the relevant questions were identified, a sub-weight was assigned to each question and a score was given to each of the answers within these questions. The country scoring for each question is the product of the weight of the broad category and the subweight of the question multiplied by the answer provided by each country (1, 0.5 or 0). The composite is the result of adding together these scores for each country. Both composites vary from 0 to 1; a score of 1 implies the use of sound practices on a given topic.

For more information see [www.oecd.org/gov/govataglance.htm](http://www.oecd.org/gov/govataglance.htm)

**Figure 1. First pass at a composite indicator on gender budgeting: variables and weights used**

