

Ambitious funding will ensure an effective new UN gender equality entity

A position paper by the European GEAR Campaign Working Group
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In March 2009, the United Nations Deputy Secretary General came forward with concrete proposals in her paper *"Further Details on Institutional Options for Strengthening the Institutional Arrangements for Support to Gender Equality and the Empowerment of Women"* detailing the shape and structure of the future gender equality entity. As we noted in our analysis of these proposals in May 2009, the paper failed to appropriately address the issue of funding the Composite Entity's work.

It is our view that the effectiveness of the future gender equality entity, and in fact the entire reform, will largely depend on the level of funding that is made available for the work of the future entity. Already the *"Delivering as One"* Report of the *High-Level Panel on UN System-Wide Coherence* in November 2006 recommended the entity should be **fully and ambitiously funded in order to meet its primary goals and present real reform**. The Coherence Panel Report offers further guidance to this end: *"the gender entity needs adequate, stable and predictable funding [...] the policy advisory and programming division should be fully and ambitiously funded."*

Less than 1% of entire UN expenditures allocated to gender equality bodies

Existing funding for gender equality within the UN is completely inadequate. Therefore, we believe that the new gender equality entity must have an initial **budget of \$ 1 billion USD per year** with annual increases. This figure appears to be ambitious but actually accounts for a modest estimate. \$221 million was allocated directly to the existing fragmented and ineffective UN gender equality architecture in 2008¹. **This figure accounts for less than one percent of the \$27 billion the entire UN system spent in the same year.**

The new UN women's rights entity, must be financially robust enough to effectively carry out its multi-dimensional and multi-sectoral responsibilities and opportunities. In this regard, one of the main drivers for the gender equality architecture reform is to ensure that the UN delivers much better than it currently does at regional and country level for women. This requires a stark increase in resources so as to ensure that the entity is able to lead within the UN country teams at senior level and is able to carry out strong programmes that are effectively aligned with regional and country level gender equality priorities.

The current funding gap for gender equality makes development goals and MDG 3 unattainable

¹ The existing UN gender equality architecture comprises the following: the UN Development Fund for Women (UNIFEM), the Division for the Advancement of Women (DAW), the Office of the Special Advisor on Gender Issues (OSAGI), and the International Research and Training Institute for the Advancement of Women (INSTRAW). In 2008 the income of these entities was the following: UNIFEM \$215.4 million, DAW \$1.15 million, OSAGI \$0.418 million, and INSTRAW \$4.12 million.

A number of financial commitments have been made in the context of key women's rights frameworks, but they have not been met by adequate, let alone ambitious, funding. Any further delay in allocating these resources will only exacerbate the problems and will make the goal to achieve gender equality globally, along with every other development targets and the UN Millennium Development Goals (MDG) even more expensive to reach in the years to come.

Billions of bilateral and multilateral ODA flows address gender equality targeted initiatives; billions more are needed. One of the key understandings behind the \$ 1 billion initial funding benchmark is the existing global funding gap for MDG3 alone and mainstreaming needs that is expected to further increase until 2015. The World Bank has estimated that the cost of interventions needed to achieve MDG3 and of related mainstreaming activities in low-income countries will be \$83.2 billion in 2015². Even according to the most conservative estimate the financing gap between total costs and domestic resources mobilized will increase from \$8.3 billion in 2006 up to \$23.8 billion in 2015. In order to secure the achievement of gender equality and empowerment of women in these countries, **donor governments should support gender equality interventions with an average of \$16 billion per year for the next five years.**

In this context, an initial \$ 1 billion USD annual budget for the new UN gender equality entity is a modest funding target. Moreover, it is a precondition to ensuring that the new entity is able to fulfill its normative and operational mandate to empower and protect women and girls. Furthermore, strong financial support will secure that the new entity will be operational expeditiously after it has been agreed to. Once up and running, the new entity would be well positioned to promote leveraging of existing gender-targeted bilateral and multilateral funds and attracting additional funds. The entity would also be well placed to link those funds with recipient country co-financing, serving as an investment counselor for both the donors and recipients on the most effective uses of the funds.

Ambitious EU funding commitment for the new gender equality entity needed now

The EU to date has shown strong leadership on the reform of the UN gender equality architecture. However, as the political process may now be achieving its first real milestone, this commitment needs to be backed up by financial leadership and a commitment to ambitious funding. As the 2009 OECD-DAC statistics indicate, the EU and its Member States have greatly increased their gender equality funding at bilateral level and contribute a considerable amount of money to multilateral cooperation as well. In addition, EU Member States are the main donors of the current UN gender equality architecture and it is in large due to their efforts that the UNIFEM has over the past two to three years been able to operate to its current level. However, it is evident that much more resources are needed if the EU and its global partners want to tackle endemic global gender inequality.

In September 2009, the 63rd UN General Assembly should adopt a resolution on the creation of the new gender equality entity based on the composite model. In order to ensure sufficient support from all UN member states for such a resolution it is important that EU Member States start addressing funding issues. **We urge EU member states as a matter of priority to start**

² Grown, Bahadur, Handbury and Elson (2008). "The Financial requirements of achieving gender equality and women's empowerment". In M. Buvinic et. al, *Equality for Women: where do we stand on Millennium Development Goal 3?*, World Bank. 2008.

discussing the financing of the future gender equality entity at capital level as well as at the EU level and prepare to make concrete funding commitments. EU Member States with small multilateral cooperation budgets should also pledge funding and show their commitment to gender equality globally. The new entity needs a broad donor basis and financial support of these countries to the new entity is absolutely crucial to encouraging further pledges by setting an example for other countries that may not be part of the usual group of donors.

Within the significant role played by EU Member States in financing the current UN gender equality bodies, more attention should also be paid to **predictable and long-term core funding**. Only 17 % of the \$152.5 million USD contributed by EU countries and the European Commission to UNIFEM were allocated for core activities in 2008. Fundraising efforts should not exclude alternative sources, such as the private sector or charitable foundations.

We believe it is important that EU member states coordinate with other key donor countries in terms of successfully leveraging the initial funds to furnish the new entity with the possibility of a pledging session to mark the 15th anniversary of the Beijing Platform for Action in 2010 as a welcome political signal. The role of the new US-G will also be critical in this coordination effort.

The current economic crisis certainly puts a strain on governments' budgets and necessitates the reshuffling of available resources. Yet, while this crisis has not been caused by women and girls living in poor conditions, they bear the brunt of the effects. We believe the needs of women and girls cannot be compromised by the failings of certain economic sectors. Governments must seize this once-in-a-lifetime opportunity to reform the way the UN delivers for women and effectively redress the inequality currently facing half the world's population.